VINCI Energies Netherlands BV

Annual Report 2023

VINCI ENERGIES

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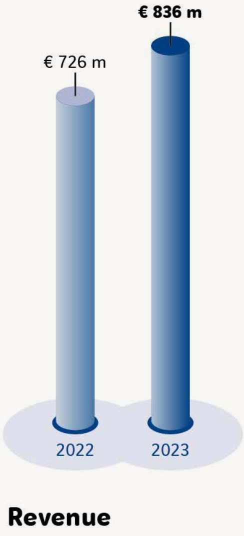
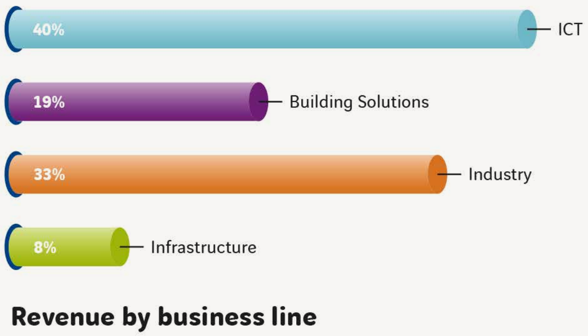
1 Report of the Board of Directors
Key data VINCI Energies Netherlands

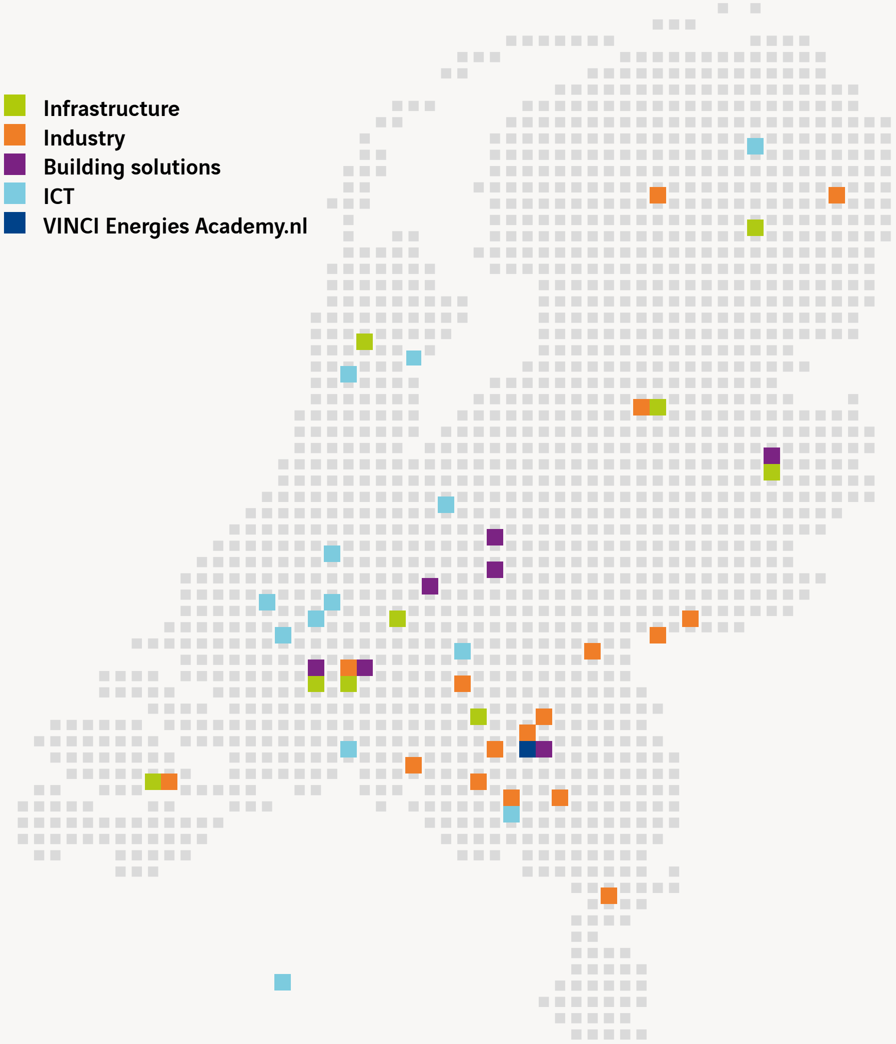




>3600
employees

74
business units

2
countries


Infrastructure
Industry
Building solutions
ICT
VINCI Energies Academy.nl

2 Interview with Managing Directors of VINCI Energies Netherlands

— **Tom Greeve**
Managing Director ICT

— **Jos van Uden**
Managing Director Infrastructure, Building Solutions and Industry

"The world continues to be dynamic and demands agility. We are ready and prepared for changes with our unique organisational model of business units and with the diversity of our activities."

Global developments

Last year we were faced with the aftermath of a number of crises: the Covid crisis and a war. In 2020, Covid caused a supply-chain crisis that hit our business units too. Delivery periods stabilised to a near-normal level throughout 2023. The war produced an energy crisis that affected both us and our clients. Some clients invested less as a result of the high energy costs. Inflation also impacted our markets in 2023. Particularly in Building Solutions, where the project developers are much more reticent about major projects. At the same time, we can identify many opportunities for us in other areas, such as renewing and expanding the grid, and the growth of wind and solar power. Our order book growth is satisfactory, which is a great way to start 2024.

"Inside and outside the Netherlands there is a large amount of investment in the energy transition, and consequently in the grid. The digital transformation continues to accelerate. All that produces great opportunities for us over the coming years."

Even so, the world continues to be dynamic and is demanding agility. We are ready and prepared for changes with our unique organisational model of business units and with the diversity of our activities. We have a good mix of expertises enabling us to respond to what is happening now and to what may happen. We focus on different markets, and on short-term and long-term trends. Our business units also respond independently and quickly to changes as required. We are positive about the coming year, notwithstanding the many challenges.

Energy transition, digital transformation, and sustainability

With its business lines, VINCI Energies provides services and solutions for two related themes: the energy transition and the digital transformation. Inside and outside the Netherlands there is a large amount of investment in the energy transition, and consequently in the grid. The digital transformation continues to accelerate. All that produces great opportunities for us over the coming years. Sustainability becomes increasingly important in both themes. Clients have to make choices.

“Our business units are small scale, our culture is quite distinctive, and both help to bind and fascinate people. We are a multinational but consist of smaller businesses with a human dimension. People feel at home with us.”

Attract, fascinate, and bind

In 2023, the labour market again faced a shortage of qualified technical people. Our business units have to deal with that. Attracting new employees continues to be a major challenge. Our decentralised model and the small-scale nature of our business units contributes to binding and fascinating people. We strive for diversity and encourage inclusion. Everyone is welcome and will be given a chance to develop themselves within our organisation, personally and professionally. Our distinctive culture makes a difference. People feel at home with us.

To deal with shortages in specialists, we have started partnerships with business schools for young people and those who change careers, we have a young professionals programme for our ICT business line for generic functions, and there is a set-up for technical trainees. We also use qualified people from abroad. Our inflow still exceeds our outflow. In other words, we achieved organic growth.

“VINCI Energies continues to focus on growth. Organic growth via our business units, and we encourage them to keep developing. External growth through acquisitions.”

Acquire and integrate

VINCI Energies continues to focus on growth. Organic growth via our business units, and we encourage them to continue to develop external growth through acquisitions. That is another way of expanding our capacity and bring in talent. In 2022, we acquired more companies than in 2023. In 2023, there were two: Kenmerc and Opal. That was a conscious choice. 2023 was a year to really integrated the seven companies we acquired in 2022. Acquisitions are also an opportunity for existing and new employees to develop and grow. Our VINCI-Energies-Academy.nl has an important role to play in that process. It offers a leadership programme, for example, because growth demands a sufficient number of talented future leaders.

“In 2023, EcoVadis awarded us once more with a platinum rating for sustainability. That puts us among the top of our peers.”

Sustainability inside and outside the chain

Sustainability plays a more and more prominent role in our strategy and in what the market and society demand and expect from us. That is why we have made some significant investments. In 2023, EcoVadis awarded us once more with a platinum rating for sustainability implementation. That puts us with the top of our peers in the Netherlands. It is also a nice step towards new European legislation, which involves an obligation to perform to the best of your ability for the entire chain. With the VINCI Foundation NL and our employees we have supported social organisations with achieving sustainable projects to give more people access to the labour market. We continue to look at how we can play a bigger role in sustainability inside and outside the chain.

Board of Management 2023

— **Tom Greeve**
Managing Director ICT (statutory director)

— **Jos van Uden**
Managing Director Infrastructure, Building Solutions and Industry (statutory director)

— **Eus de Haas**
Country Director & General Counsel (statutory director)

— **Robin Honders**
Chief Financial Officer ICT

— **Job Steendam**
Chief Financial Officer Infrastructure, Building Solutions and Industry

3 General

VINCI Energies Netherlands B.V. is part of VINCI Energies S.A. ('VINCI Energies'), a division of the VINCI S.A. Group ('VINCI' or 'Group'). We provide in this chapter general information of VINCI, VINCI Energies and VINCI Energies Netherlands.

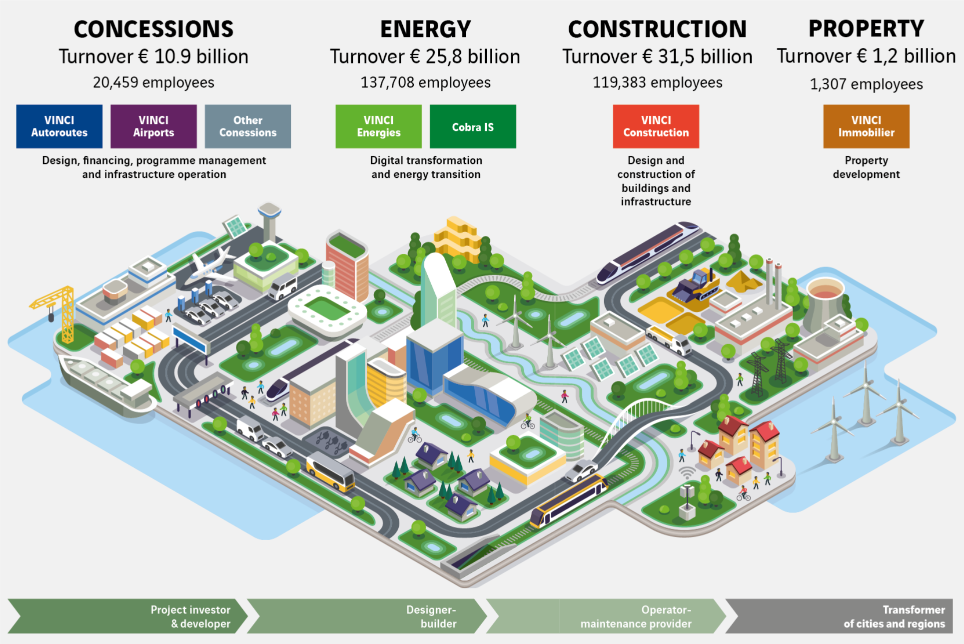
3.1 VINCI

VINCI is a world leader in concessions, energy and construction, operating in more than 120 countries. At the centre of the challenges facing today's world, VINCI's ambition is to play an active part in the energy and environmental transition of living spaces, infrastructure and mobility, while fostering social progress as a humanist group that stands for inclusion and solidarity. By harnessing the fields of expertise, the quest for innovation, the business model's strength and engagement of the teams, VINCI is striving towards a goal that their 280,000 employees share: serving a useful purpose and caring for the planet.

VINCI aims to design, build, operate and maintain cities that are more pleasant to live in, infrastructure that frees up flows, and people-friendlier offices and factories, while using the planet's non-renewable resources as frugally as possible. It is bringing this vision to life by unleashing its full potential for innovation and by fully embracing its responsibility as a large group.

Because VINCI's projects are in the public interest, reaching out to all stakeholders and engaging in dialogue with them is essential in the conduct of the business activities. The environment, community life and mobility are the main challenges facing today's world. VINCI aims to meet these challenges by being a force for good through our constructions and our work ethic, both day to day and over the long term. It's called all-round performance.

VINCI S.A. is listed at the French CAC-40 Stock Exchange. In 2023 VINCI realized a revenue of € 68.8 billion.



Source: VINCI – 2023 Universal registration document

A resilient business model combined with a sustainable growth strategy

VINCI's business model is stable in its fundamentals and can be applied to ever-expanding geographies and areas of expertise. This stability and versatility are giving such immense resilience. The Group's strategy is to adapt and hone this robust model as it continues to develop across its three businesses: Concessions, Energy and Construction. VINCI's priority is to actively engage in the energy and environmental transition, by harnessing its innovation capacity to achieve responsible, sustainable growth.

Business model

VINCI's business strategy for a long time has been built around the complementary nature of its concessions, energy and construction activities. The Group has never ceased to expand its business model, moving from electricity concessions in the early 20th century into motorway, airport and renewable energy concessions in the 21st, and from building and infrastructure construction into specialist activities in civil engineering and information technologies. As it has diversified its areas of expertise, VINCI entered more and more international markets. In 2023, the Group generated 57% of its revenue outside France, compared to 37% a decade earlier. In addition to a broad range of businesses and markets, VINCI gains her resilience from its management approach. The Group's highly decentralized organization and supportive management culture gives her companies and people tremendous agility in adapting to changes and unpredictability in their environment. Drawing on these solid and shared fundamentals, VINCI will continue to implement her long-term strategy and to develop the three core business lines.

Concessions

VINCI's strategy for the Concessions business focuses on transport infrastructure. Like the concession contracts, this strategy is long-term, aiming to diversify, renew and internationalise the Group's mix of concessions and extend the average maturity of her portfolio. VINCI's fast growth in airport and motorway concessions since the 2000s, both in France and internationally, results from the steady implementation of this strategy. To achieve her aims, the Group is harnessing integrated expertise – as an investor and developer of projects, a designer and builder of infrastructure, and an infrastructure operator and maintenance provider – and combines know-how with partnership culture and experience collaborating with the local authorities and stakeholders in her ecosystems, sometimes part of a consortium with other investors. Structural demand for mobility, along with the large investments needed to adapt transport infrastructure to low-carbon uses while reinforcing its climate resilience, will deliver a long-term boost to transport infrastructure concessions. The Group will apply her expertise in infrastructure financing, development, construction and operation to her portfolio of renewable energy production assets. In all these sectors, new project development will benefit from synergies between Concessions, Energy and Construction businesses, building on their areas of expertise and established presence in the targeted regions.

Energy

VINCI has focused strategically on her energy activities since the early 2000s. This has resulted in the very sharp internal and external growth of VINCI Energies, whose expertise in energy infrastructure and information technologies has proven to be fully aligned with fundamental market trends. The Group's expansion in this area accelerated with the integration of Cobra IS, the former energy arm of Spanish group ACS, at the end of 2021. Cobra IS is a complementary fit with VINCI Energies, with a strong foothold in the Iberian Peninsula and Latin America and a solid reputation for delivering large engineering, procurement and construction (EPC) projects.

The Group is leveraging Cobra IS's expertise to build a portfolio of renewable energy production assets. At the end of 2023, its photovoltaic projects in operation or under construction had a combined capacity of 2 GW. This portfolio should see robust long-term growth, buoyed by the rising needs of the energy transition. This transition, in tandem with digital transformation, will be more broadly support the expansion of all energy business activities of the Group.

Construction
VINCI Construction is one of the Group's earliest businesses where entrepreneurial culture all started. Today, it is a global construction industry leader. Since 2021, the integration of Eurovia's activities has brought all of VINCI Construction's civil engineering, infrastructure and building know-how into one management division, creating internal synergies, facilitating innovation and bolstering the Group's positions in the construction sector, in which it is a world leader. VINCI Construction will continue to develop its three pillars – Major Projects, Specialty Networks and Proximity Networks – using this combined global and local approach to achieve optimal market coverage and extend the international reach of the Group's activities. In line with trends that are already under way, the energy and environmental transitions will spur the long-term development of construction activities, in infrastructure as well as building and urban development. Added to the challenges of transition in these areas are those posed by increasing urbanisation and the transformation of homes, workplaces and public areas.

From here, the annual report focuses specifically on VINCI Energies Netherlands B.V. as part of VINCI Energies.

3.2 VINCI Energies

VINCI Energies builds on a decentralized organisational structure with local roots through its 2,000 business units, each of which specializes in a specific business segment in order to provide bespoke services to her customers. Together, they form a network harnessing multiple areas of expertise in line with each project's requirements. VINCI Energies takes a partnership-based approach at local level, which is a key part of its ability to create value.
Thanks to its extensive international footprint, diverse operational methods and the responsiveness of its agile organization, VINCI Energies has many advantages enabling to adapt to changing situations. Its resilience is coming from its position in structurally relevant sectors, such as building solutions, ICT, infrastructure and industry, which are central to key challenges such as the digital transformation and the energy transition.

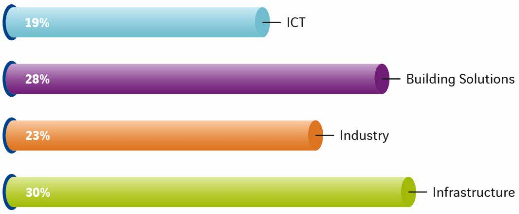
To promote its services and expertise, VINCI Energies has created four international brands focusing on four different business lines: Omexom for infrastructure, Actemium for industry, Axians for ICT and VINCI Energies Building Solutions, along with VINCI Facilities and local brands, for building solutions.
These brands act and collaborate to develop innovations and environmental services.
VINCI Energies achieved remarkable overall performance in 2023, thanks to its very solid position in markets with good long-term growth prospects around the world – powered by the energy and digital transitions – as well as its wide range of expertise, efficient network and strong, decentralised managerial model.

VINCI Energies saw its growth accelerate further in 2023. Revenue rose by 15% to € 19.3 billion (up 10.9% like-for-like). The increase was particularly marked outside France (up 18.9%). In addition to the positive impact of external growth, business was brisk in almost all of the 61 countries where VINCI Energies now operates. Ebit margin improved (to 7.0%) placing VINCI Energies among the most profitable companies in its industry.

This momentum reflects VINCI Energies ability to take full advantage of strong underlying trends. The growing importance of the energy transition and digital transformation agendas is benefiting the energy infrastructure business as well as industry, construction and information technology. The challenges of decarbonisation, energy sufficiency and the digital revolution open up opportunities in all of these sectors.

Revenue and ebit margin over the past 5 years

7.0% = % of VINCI Energies revenue of 2023[i]



Revenue by business line

97,000
employees

2,000
business units

61
countries

3.3 VINCI Energies Netherlands

VINCI Energies Netherlands B.V. has brought together a group of market segment specialists and human scaled business units that operate locally and internationally. Their field of activity and solutions includes interdisciplinary plant engineering, industrial automation, ICT solutions, a variety of building-linked electrical installation works and fire solutions. Parent of VINCI Energies Netherlands B.V. is VINCI Energies S.A., VINCI S.A. is the ultimate parent.

Contributing to improvements

VINCI Energies specialists in the Netherlands provide contributions that improve everyday life in many areas. Improvements for industry, cities, buildings and networks. We do so through our 74 business units throughout The Netherlands and one business unit in Belgium. We serve the market with a wide range of services within the four business lines: Infrastructure, Industry, Building Solutions and ICT. Within these business lines, we labelled specializations and expertise under the international brands Actemium, Axians, Omexom and VINCI Energies Building Solutions.

Some of our business units with specific expertise in certain market segments operate under their own local brand name: A&I Kwant Civiel, Amecha, Aqualectra, Bosman, Cegelec Fire Solutions, De Jong Engineering, Koning & Hartman, Schilt Bedrijven, VanderLinden, VerAutomation and Verkerk.
The business units, regardless of the brand they belong to, always provide advice, design, optimization, innovation, and maintenance of processes. Our only objective is to increase the effectiveness of the processes of our clients, by continuously optimizing the effectiveness of our own organisation and responding to current and future client needs and wishes in a flexible manner. With a focus in the field of digital transformation and energy transition.

Our passion is creating value for our clients and for society. We realise that we work in, for and by society. We account for this in our corporate values and by integrating Corporate Social Responsibility into our corporate governance to meet the CSRD requirements.


HOLLAND AMERIKA LIJN
HOTEL
BOSMAN
BOSMAN
BEDRIJVEN

VINCI Energies, a network organization of business units active in: Infrastructure, Industry, ICT and Building Solutions.

4 Business development by activity

In the Netherlands VINCI Energies organisational structure also builds on decentralised business units with local roots focussing at entrepreneurship, networking across its full range of expertise, and working with its clients day-to-day to create value. Our 74 business units serve the market under the international brands – Actemium, Axians, Omexom and VINCI Energies Building Solutions – as well as several local brands.

Interview with Brand Directors of Actemium, Axians, Omexom and VINCI Energies Building Solutions in the Netherlands

Challenges and solutions for the energy transition and digital transformation in a changing environment.

With our business lines Infrastructure, Industry, ICT, and Building Solutions we design and build solutions for two themes: the energy transition and the digital transformation. We are facing several challenges in a rapidly changing world and evolving markets in the coming years.

Scarcity in the labour market

All our business lines and brands are experiencing a shortage of technical specialists in the labour market and insufficient outflow from technical studies. We respond by training more people in-house and by doing more with the people who are available. For example, even smarter working, even better cooperation in the chain, and far-reaching automation. Up to now, the scarcity in the labour market has not caused problems for us because we always manage to attract enough new people. We are looking for new ways, including with lateral entrants.

“The scarcity in the labour market continues to be a challenge. We are recruiting people from foreign countries. And our Omexom Institute also provides training. It is worrying when you see the outflow from the relevant regular schools in the coming years. We try to make our work as interesting as possible. What could possibly be better than contributing to making our society more sustainable?”

— **Joop Wervers**
Brand director Omexom

Innovations to advance the energy transition

We have been reducing the CO_2 footprint of our own organisation for many years. For example, by making our buildings more sustainable with solar panels and by introducing an electric car fleet. Many of the projects we work on for our clients are touching on energy transition. For example, expanding and modernising the high-voltage network. Axians supports clients by making smarter use of data and creating insights. Actemium uses solutions to monitor energy and to make energy available in different ways. Building Solutions provides solutions to make buildings smarter and more sustainable.

Together with client and suppliers, our business lines innovate the project approach to solutions, and we look for more sustainable solutions. By using less packaging and reducing waste flows and residual flows. But also by improving the logistics and making it more sustainable.

Support clients with the energy transition

Omexom, the brand for infrastructure, is completing many projects for grid managers, such as connecting green power from solar parks and wind farms. Omexom also supports industrial clients with far-reaching electrification. Axians advises clients on how they can design their ICT as sustainable as possible by offering more

v.l.n.r.: Joop Wervers, Arjan Haagmans, Peter de Wit, Edwin van Merriënboer

sustainable equipment and making efficient use of that equipment. Axians provides insight into the carbon footprint of customers' cloud usage and operational processes and advice on how to reduce CO_2-emissions. Actemium helps clients to obtain insight into their energy consumption and provides solutions for reducing that consumption. The local brands of VINCI Energies Building Solutions create integrated systems for their clients with heat pumps and solar panels, for example. For example, VanderLinden developed the modular Power&Park concept, a charging area with solar panels and possibly a wind turbine on site to charge cars and e-bikes.

The impact of the digital transformation on our market approach

Omexom designs in 3D: Building Information Modeling. It is faster and prevents possible errors. By using a fourth element for planning, Omexom is even better able to manage projects. In Building Solutions all the paperwork is electronic, and BIM is used increasingly for smaller projects, for the engineering phase, project management, and quality control.
In Actemium, our brand for industry, the digital transformation is also playing an ever-greater role. That brings new players to the market too. However, achieving successful vertical integration – with knowledge of the various technologies, processes and information flows – requires domain knowledge and expertise of the industry. Actemium has that knowledge. In addition, Axians provides digital transformation solutions to enterprises through information technology.

"Over the coming years, industry will have to make massive investments to make factories and processes more sustainable, to contribute to the global energy transition. With changing consumer demand for diversity of products but also due to cost-price reduction and scarcity of personnel in industry, there will be a greater need for mechanisation, automation, robotisation, and informatisation."

— **Peter de Wit**
Brand director Actemium

Trends in the various markets in which our brands are active

Infrastructure: Everyone is looking for ways to do things faster and to solve grid congestion. Target Grid 2045, with a high-voltage grid with direct current, will contribute. Batteries are used sparingly because of their high costs. The nitrogen decree impacts client's opportunities to carry out projects. Grid management involves the use of more and more data.

Industry: Chemical and metal-producing companies will become more sustainable with green hydrogen. Exports of machinery and food products are going down. Stock reductions have led to production shrinkage in certain sectors, such as basic chemicals, base metal, and the plastics industry. Existing machinery and systems are used longer with extra maintenance and overhauls.

"AI will become more important. We will see the use of more algorithms; the learning ability of systems will increase. IT in combination with AI, data and domotics provides many opportunities for dealing with staff shortages in the care sector.
IT and AI will also become important to making production chains more sustainable, making the grid smarter, and solving scarcity issues. Axians will grow in this expertise with dedicated experts."

— **Edwin van Merriënboer**
Brand director Axians

ICT: The ICT market is developing at lightning speed. The innovative power increases all the time, also due to the use of AI. Security is more important in every project, in all markets and for all ICT applications. The transition to cloud continues apace and 5G provides new opportunities. We also see a critical convergence of OT and IT, assigning an even more important role to IT in critical infrastructures.

Building Solutions: The energy transition will continue to boom for years. With our clients and suppliers in the value-chain we will cooperate more in relation to sustainability with more attention to reduction of waste, for example by opting for heat pumps and phasing out gas. Smart buildings generate more and more data. This data will be used more to really work on predictive maintenance and to save energy.

Brand-specific challenges and solutions

Infrastructure: The congestion in the grid is a major challenge. Solutions include expansion of the grid and developing a true smart grid. The scarcity in the labour market will continue to be an impediment to realising the ambitions of the energy transition.

Industry: Over the coming years, industry will have to make massive investments to make factories and processes even more sustainable and to contribute to the energy transition. With changing consumer demand for diversity of products but also due to cost-price reduction and availability of personnel in industry, there will be a greater need for mechanisation, automation, robotisation, and informatisation.

"In all our markets we notice that the use of new systems means that more and more data will become available. All this data only becomes valuable when we convert it into information. This information can then be used to take the next step towards predictive maintenance and optimising maintenance for our clients. This trend also makes the work for our colleagues more interesting and more challenging."

— **Arjan Haagmans**
Brand director Building Solutions

ICT: The security of systems and the cloud. The increasing speed of the innovations is an ever-greater challenge for clients. Which choices should they make? We can assist. Clients are also looking for agility, and by offering ICT solutions as a service (Naas and Saas), we provide flexibility, continuity, and scalability.

Building Solutions: Increasing building automation produces more and more data. It also changes the work of our employees, as it is becoming more challenging. Our clients, our employees and shareholders demand more and more sustainability.

Ready for the future

The markets, the labour market, the technological developments, and society impose higher requirements on sustainability and produce a changing and challenging environment. As VINCI Energies Netherlands - with our complementary diversity in expertise where we serve an enormous range of clients, and because of our management philosophy and flexible and robust organisation model - we are well equipped to continue providing solutions for the energy transition and the digital transformation over the coming years.

4.1 Infrastructure

Delivering on the promise of the energy transition

VINCI Energies helps electricity producers, transmission and distribution grid managers, organisations, and local and regional authorities to fulfil the promise of the energy transition. Our goals, going forward, are to foster access to electricity, ensure supply and develop sustainable energy.

VINCI Energies business units notably offer innovative solutions for energy from renewable sources, electricity storage, CO_2-free mobility and managing the energy and transport infrastructure. They provide solutions in the areas of high, medium, and low voltage for grid managers, light rail and tram companies and industry.

Omexom

Project 'Second life for control houses' wins One Earth Challenge

Omexom has been working on making in-house processes more sustainable for many years. However, its project sites also become more sustainable in all sorts of ways. A good example is the reuse of control houses at high-voltage substations. A control house is a concrete building with the equipment to monitor and operate a field at a high-voltage station.

At substation Diemen the control houses were to be removed and pulverised. Instead, Omexom renovated them and used them again at the high-voltage substation Goes de Poel. This project produced two tonnes in CO_2 savings, the positive appreciation of TenneT and an award. The Omexom project team won the VINCI Energies One Earth Challenge, an internal initiative to highlight environmentally friendly solutions and apply them more widely.

Aqualectra
More care for more patients with fewer people

With the construction of 2 main distributors, 4 secondary distributors and 77 sub-distributors, Aqualectra is helping hospital group Noordwest Ziekenhuisgroep to keep healthcare future-proof. For the first phase of its new hospital in Alkmaar, this group selected the expertise of Aqualectra.

Aqualectra received the order from ULC Installatietechniek to build the distribution cabinets. They provide the energy distribution in the hospital, an essential element for the continuity of the power supply.
Construction has started on the operating rooms, an emergency plaza that includes emergency care, intensive care and complex care nursing departments. With the new building, Noordwest Ziekenhuisgroep aims to provide more care to more patients with fewer people, without compromising on quality of care, accessibility of the building and affordability.

Omexom
Omexom in the Netherlands works together with Czech colleague engineers

The demand for properly trained technical specialists continues to rise, as does the amount of work in the energy transition. This stimulated Omexom in the Netherlands to look for solutions in the international Omexom network. It found the answer at Omexom in the Czech Republic. Czech technical specialists work successfully in Omexom teams, and directly for TenneT on Dutch projects. Up to now, this largely concerned operational activities.

Omexom in the Netherlands will also hire Czech engineers to work from the Czech Republic on engineering projects in the Netherlands. These engineers already work on the basis of the shared values of VINCI Energies, and that makes cooperation an easy win.

Omexom

Conversion of transformer station guarantees continuity for users

For the construction of new housing and a heat grid, Stedin is upgrading the transformers in the 25/10 kV transformer substation Delft 3, by actively cooling them. That increases the capacity by 10MVA. There will also be additional fields to facilitate expansion. Omexom provides the secondary engineering.

To keep the substation in operation for users, it will be converted in seven phases. Stedin drew up a global conversion plan, which Omexom refined in detail. First, space is created for a temporary installation. Then the existing switching installation is replaced. During the second move, the users move over to the new installation. At the moment, Station Delft 3 is still an open system, but Omexom will be building a much safer, closed system.

Omexom

Successful maintenance debut in flexible Sloe power station

Once a year, the Sloe power station is shut down for preventive maintenance of the high voltage installations. This power station plays an important role in the energy transition. It is a very flexible power plant that can react and respond quickly to the constantly changing demand for energy. Its start-up time is just 26 minutes!

In 2023, Omexom was chosen to carry out this maintenance on the Sloe power station for the first time: a successful debut. Omexom carried out maintenance to the oil-cooled transformer, the switching field, the HV cable from the switching field, and the safety devices of all the components. The client mentioned flexibility of the Omexom team as a strong point in the cooperation.

4.2 Industry

Helping to continuously improve industrial performance

VINCI Energies works together with its industrial clients to make their industrial plant and equipment more productive and to ensure their processes run more efficiently.
The business units provide solutions and services in many market segments. They design, roll out and maintain customised, integrated solutions and services for manufacturing plants and provide sustainable multitechnical services throughout the entire industrial lifecycle, including electrical engineering, energy efficiency, robotics, predictive maintenance, traceability, platforms for site management and cyber-security.

Aquisition

VINCI Energies strengthens industrial portfolio by acquiring Opal

With the acquisition of OPAL Associates (OPAL) in Nijmegen, VINCI Energies strengthens its industrial portfolio with innovative logistics solutions. As a supply-chain solutions integrator, OPAL is familiar with the complexity and challenges of optimising logistics and operational supply-chain processes. OPAL supplies IT solutions, such as warehouse and transport execution and smart software, automatic identification, tracking & tracing, and mobile data-collection solutions. With these solutions Opal is supporting its clients with their digital transition. The clients operate in transport logistics, industrial production, wholesale, healthcare, and pharmaceutical industry.
OPAL's expertise complements the existing portfolio of the Actemium business units in Zevenaar and Veghel that focus on logistics solutions in industry. OPAL now provides its services under the brand name Actemium.

Actemium

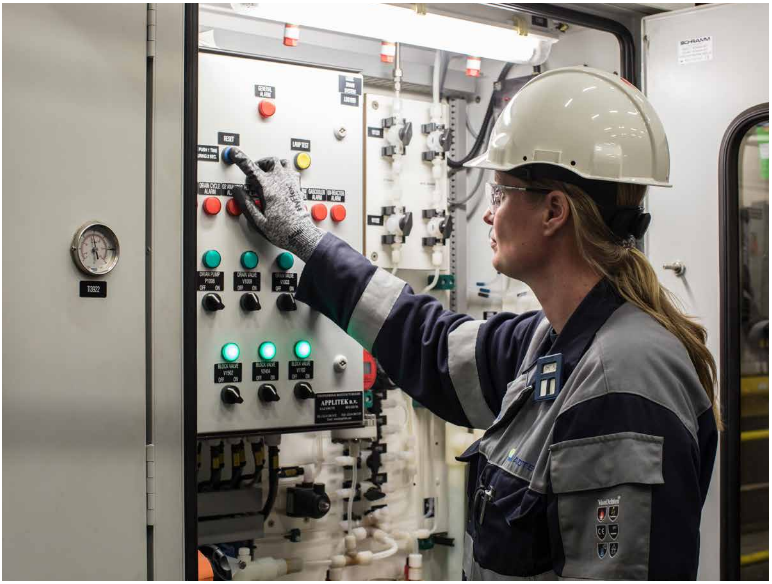
The Chocolate Factory is ready to start

In the autumn of 2024, visitors to The Chocolate Factory in Veghel will be immersed in the world of chocolate with interactive elements and attractions. This chocolate factory is an initiative of the local government, education institutions, and business community. With Actemium, VINCI Energies will be part of this project from the very beginning.
The Chocolate Factory will be a real learning factory where education takes place in the factory. A place where students learn about designing, building and operating machines together with professionals from companies. They will also build the controls and machines. Actemium is taking care of developing, building and maintaining the installation, but also will contribute to the innovative further development in the next five years. Actemium will work together with, for and by students, who realize assignments under the guidance of Actemium technical specialists.

Actemium

Nedlin built new industrial laundry bursting with innovation and automation

Nedlin built a new, sustainable laundry for care institutions and hospitals. In a complex cooperation between man and machine, hardware and software, the laundry process has been highly automated, making it more sustainable, reliable, and affordable. Actemium provided essential subsystems for this innovative process.
The laundry occupies an impressive surface area of 19,000 m². The overall solution, in which many different machines are working together, limited the space for the subsystems to be integrated by Actemium. That imposed high requirements on the solution. The result is a complex automatic storage-and-retrieval system, which makes optimal use of the height of the hall, with an intelligent and fully automated tray conveyor system connecting the folding and bundling machines.



Actemium

Maintenance of industrial online analysers: crucial in oil & gas, chemical and petrochemical

The perfect operation of online analysers is crucial to guarantee that many processes in oil & gas, chemical and petrochemical are running properly and safely. Periodic preventive maintenance and timely replacement of online analysers is crucial. Not every company has the right or sufficient specialists in-house.
Within its broad range of industrial services, Actemium has built up a unique specialisation in online analysers and gas detection. This specialization involves maintenance, calibration, any replacement of online analysers, as well as their commissioning. The analyser teams are used daily by clients in the region that stretches from Rijnmond to Antwerp, and from the province of Zeeland to West-Brabant.

Actemium

Sparck Technologies and Actemium: partners in modular construction

Sparck Technologies is making packaging machines that fold a fit-to-size box around products at a rapid rate. Its most recent packaging system, the CVP Everest, achieves a speed of up to 1.100 boxes per hour. With its systems, specifically developed for e-commerce, the machine developer from Drachten makes it possible to package every online order effectively and sustainably. In order to serve this market, Sparck opts for modular construction with support from specialist players. Actemium supplies the control cabinets as partner. Sparck and Actemium are providing each other with the information required to ensure the supply chain and production processes run even better.

De Jong engineering
Packaging line with 3 cobots and automatic control for pharma

Delpharm, in the south of the Netherlands, selected de Jong engineering to convert its existing packaging line to one with fully automated control. The standard end-line solution includes 3 cobots. These cobots put boxes of products in a shipping box, put the shipping boxes on the conveyor, but also handle taping, labelling and palletizing. The challenge was to engineer a good solution within a physically limited space. The solution offered the client: flexibility of the line, quick change-over to other boxes, less labour intensive. A solution where de Jong Engineering was responsible for the entire engineering, including commissioning and maintenance.

Actemium
Ebro Ingredients makes its rice-sorting process more sustainable

Every year, Ebro Ingredients Netherlands in Wormerveer, processes 50,000 tonnes of rough rice for the retail sector and rice flour for the B2B market. The factory is providing clients with rice and other products, such as corn pearls. The food industry uses rice in many products, for example in biscuits, crisps, pizzas and baby food, but also in fast food. Rising energy prices and stricter legislation and regulations force the industry to optimise and to make its processes more sustainable through smart technology. In cooperation with Actemium, Ebro Ingredients was able to use colour sorting and resorting with new sorting machines to reduce the quantity of waste rice, reduce energy consumption, and have fewer lorries on the road. This is a benefit for the company and the environment.

Cegelec Fire Solutions
Optimum fire safety for drinks-carton giant Elopak

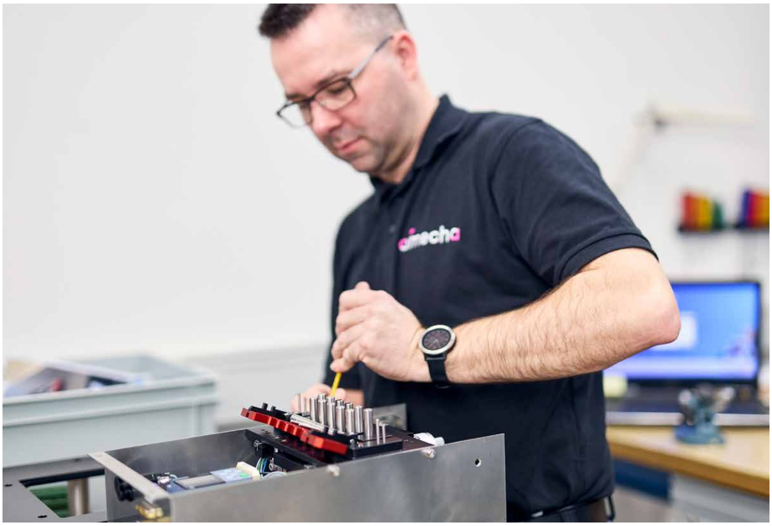
To optimise fire safety at its Terneuzen facilities, Elopak chose Cegelec Fire Solutions. Each year, the drinks-carton manufacturer produces 5 billion cartons for dairy and soft-drinks manufacturers mainly. The production is fully continuous and complies with the highest hygiene and safety requirements.

The main fire risks for the factory are in using heat sources to process the board. For example, there are 12 sealing machines and UV units on the rotary press. Electric equipment with lithium-ion batteries also constitutes a fire risk. In this complex environment, Cegelec Fire Solutions replaced the sprinkler system without any additional downtime and in line with applicable legislation and regulations.

VerAutomation
VerAutomation supports CPS with conversion to Rockwell Automation

Case Packing Systems (CPS) in Stramproy designs and manufactures innovative, customised packaging systems for the food and feed industry for packaging frozen foods, dairy products, animal feed or snacks. The packaging machines are generally equipped with Sigmatek PLC automation.
To focus more on the American market, CPS decided to equip its machines with Rockwell control systems too. CPS was looking for a specialist in Rockwell with the right focus, knowledge, and flexibility to carry out this project: VerAutomation.

Additionally, VerAutomation helped CPS implement the packaging machines with a new generation of Human Machine Interfaces, FactoryTalk Optix.



Amecha
Automated regenerator wrapping system for Stirling Ultracold

The Stirling Ultracold freezers of Biolife Solutions are the first freezers that use completely natural refrigerants and can achieve ultra-low storage at -80 °C. Amecha was asked to build a regenerator wrapping system and to build it within a cycle of 20 minutes. Intensive cooperation on clarifying the system requirements at the start of the project made it possible to convert the manual process into an automated process with the correct process parameters and KPIs. The system now runs in production and is able to achieve a cycle time of 13 minutes per regenerator when it is accelerated.

A&I Kwant Civiel
Engineering and advice for Avebe in Foxhol

At Avebe in Foxhol, several pipe bridges needed replacement. Avebe selected A&I Kwant Civiel for the engineering and advice side of replacing the obsolete bridge parts and the disassembly and assembly process. The engineering process consists of charting the bridge components by making a 3D scan. This 3D scan, the existing calculations and drawings are used to determine or revise the loads of the pipe bridge components on the supports and consoles. In cooperation with a contractor, A&I Kwant Civiel will (re) design the permanent and temporary supports and consoles. Subsequently, A&I Kwant Civiel will monitor the execution.

Actemium

New Duynie Ingredients factory contributes to a sustainable food chain

In a new plant in Katwijk, Duynie Ingredients processes residual products from the food industry into pet food. All processes are running on residual heat from a neighbouring biomass power station; the factory does not use any gas. The incoming raw materials are washed, dried, cut, sorted, and compressed if required. Actemium provided the complete automation of the factory, including control cabinets, the SCADA, and the MES with emphasis on an efficient and safe production process. The MES system guarantees full traceability; a requirement in the feed industry. The factory is contributing to a sustainable food chain, with Actemium as a technical partner for forward-looking projects. To this end, Actemium is deploying its CO_2 reduction methodology where, based on production data, the energy efficiency of the process can be further improved.

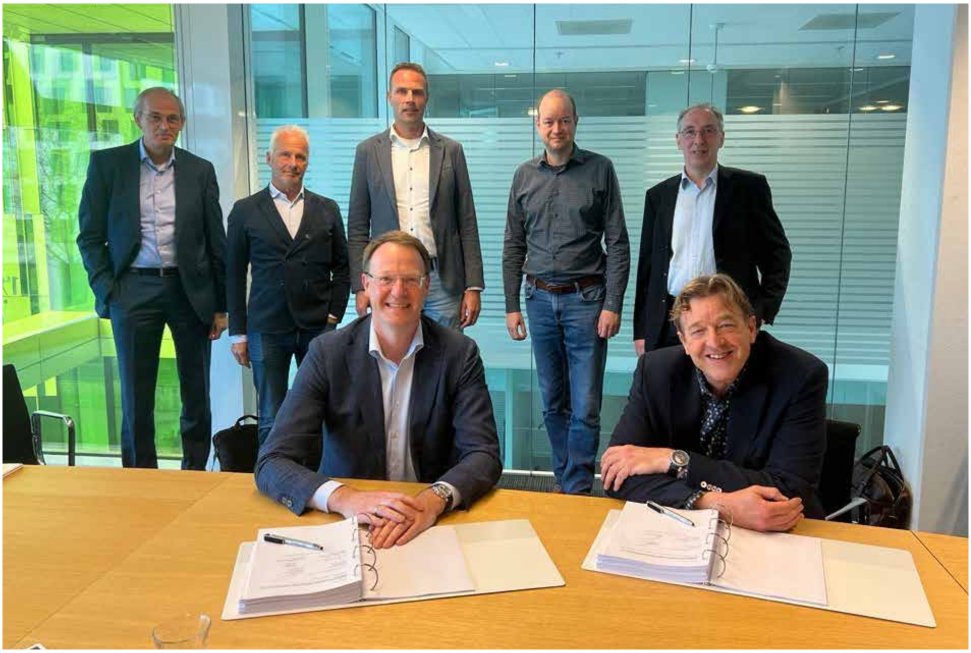
4.3 ICT

Operating at the heart of the digital transformation

VINCI Energies business units operate at the heart of the digital transformation to help businesses and organisations meet the challenges of the transformation. They achieve this by supporting ambitious businesses and institutions with customised, open, innovative, scalable and sustainable solutions.

Acquisition

VINCI Energies acquires Kenmerc Group, specialist in HRM data management & payroll solutions



The Kenmerc Group specialises in HRM data management and payroll solutions, focussing at developing & implementing HRM software for the healthcare, childcare, construction and installation segments. With the acquisition of Kenmerc, VINCI Energies strengthens the Microsoft portfolio of Business Applications in the Axians brand in the Netherlands. It guarantees that VINCI Energies can provide its ambitious clients with even better support for digitising their organisation.

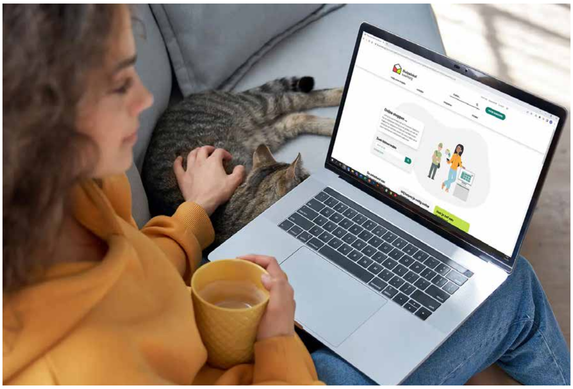
Kenmerc is expert in making HRM software compliant with Dutch and European legislation. More than 100,000 personnel dossiers are managed in its systems. The focus is on user-friendliness, quick insight, and optimising the digital aspects of HR management. The activities of the Kenmerc Group are already marketed under the Axians brand.

Axians
CuraMare raises cybersecurity to a higher level

Care provider CuraMare in Zeeland provides care at home, in a hospital, in treatment centres or in residential care homes. The increasing pressure on the care sector demands far-reaching digitisation to ensure good, qualified, and human care in the future. CuraMare wanted a safe IT infrastructure for its dozens of sites and its thousands of employees. An IT infrastructure with attention to cybersecurity, insight, and good preparation for the NIS2 Directive. This EU Directive is intended to improve organisations' resilience and capacity to respond in the event of cyber incidents. Axians realised a security strategy and provided the necessary tools, such as Network Detection and Response, to provide insight into possible cyber threats and Endpoint Detection and Response for the protection of end users.

Axians
Thuiswinkel.org commits to next level CRM with Exact Synergy

Thuiswinkel.org helps consumers with safe online shopping by supporting online shop owners and delivery companies with certifications, a knowledge platform, survey reports, training, and events. For Thuiswinkel.org it is important to maintain efficient contact with its stakeholders. This involves thousands of businesses and tens of thousands of contact persons. Thuiswinkel.org therefore faced a tough challenge. Together with Axians it found the solution in a smart combination of Exact Synergy and Exact Globe. Axians supplemented this combination with its own modules to produce a next level CRM. A CRM that is fully in line with how the organization now communicates efficiently with its clients at different levels.



Koning & Hartman
Robot SAM disinfects hospital

The innovative company Loop Robots developed and produced a robot – SAM – in the Netherlands that disinfects with UV-C light. SAM uses state-of-the-art robot technology to eliminate viruses and bacteria effectively. The robot navigates independently and calculates the amount of UV-C light that has reached each part of a room and produces a report. This technology is used to deal with hospital infections and reduces the use of chemicals.
Koning & Hartman is Loop Robots' partner for the power supplies used in robot SAM. This ensures that the robot can make rooms free of viruses and bacteria autonomously, quickly, safely, and with digital verification.

Axians
Nuffic creates financial insight with EPM software

Nuffic is the Dutch organisation for internationalisation in education from primary and secondary education to vocational and higher education and research. Its ambition is for every pupil and student to gain international experience. Nuffic finances its activities with subsidies from the Ministry of Education, Culture and Science and the European Commission for example. Nuffic was looking for an application that could produce the annual operational budget but also the long-term budgets and forecasting. Together with Axians, as experienced specialist in Enterprise Performance Management (EPM) software, the design choices for the software were made, the app was built, training was set up, and users can rely on support of Axians.

Axians

Digital data exchange provides care organisations Zinzia and Zozijn with future-proof IT foundations

Digital data exchange is a necessity in today's healthcare and, for some time now, a legal requirement. Cooperation in the care chain is becoming more important to providing suitable care and to making the care process more efficient. Care organisations Zinzia and Zozijn saw the VIPP5 scheme as an opportunity to create future-proof IT foundations for all types of digital data exchange. The VIPP5 acceleration programme is the government programme that encourages exchange with the Personal Health Environment. Zinzia and Zozijn embarked on a unique cooperation with Axians, based on trust and transparency. Thus, they work together and develop solutions step by step to become a data-driven organization fit for care organisations.

Axians

Digitalizing the logistics process helps PS food & lifestyle to continue to grow

More and more people are looking for a healthy lifestyle. PS food & lifestyle helps with 500 coaches, a programme it developed in-house, and low-carb products. Internationalisation and, consequently digitisation, presented the biggest challenge to PS food & lifestyle. Digitisation has a particularly important role to play in the logistics process: to have the right products delivered to the coaches or the end consumer every day. The solutions of Exact (ERP) and the added value of Axians helped PS food & lifestyle to develop further, as Axians also helped with designing and optimising the logistics processes.

Axians

Zeeman takes the step to data-driven work with PowerBI and Azure

Zeeman provides decently produced basics, clothes, and home textiles for the entire family at the lowest possible prices. It welcomes 70 million customers in more than 1,335 shops in 8 countries per year. Zeeman wanted to make its performance more insightful. Therefore, its business intelligence team is in place to take major steps towards data-driven work. Among other things, through the deployment of Axians and the choice of Microsoft PowerBI and Azure Cloud. In this process, Zeeman wants to continue to deliver quality and, above all, care about people and the environment throughout the chain. As a next step, Zeeman developed a data platform on Microsoft Azure together with Axians. It means it can process larger data sets more quickly and link more data sources. PowerBI then provides smart dashboards.

Axians

Van Schie simplifies claims process with the Inspection App

Van Schie operates in the area of civil engineering with foundation technology, environmental activities, the rental of pontoons, bridges, cranes and lorries for light and heavy transport. The organisation has an enormous drive to keep moving ahead and makes significant investments in ICT; it also aims to be paper-free. Axians developed the Inspection App to aid progress. It optimises the inspection process and makes it easier for the company to demonstrate and process damage caused by lessees. The app, which was created with Mendix technology, records all the relevant information for every rental order. Axians and Van Schie are also working together on a warehouse app to digitise orders, delivery notes, and efficient routes for order picking.

Axians

Pieter van Foreest increases the reliability of communication with private LTE

Pieter van Foreest, an organisation for care for the elderly, is intensifying the use of technology in its nursing homes. At the moment, this mainly concerns movement sensors and two-way audio links. In future, it will continue to innovate by using cameras for fall detection for example. It is of crucial importance that the signals are always received clearly on the telephones of the carers and nursing staff. Therefore, Pieter van Foreest is opting for private LTE alongside the Wi-Fi network for mission-critical voice and data communication that must always work. Axians had the private LTE network up and running within a month.

4.4 Building Solutions

Making buildings smarter and more sustainable

The VINCI Energies Building Solutions network makes a multifaceted contribution to bringing about sustainable, comfortable, smart and safe buildings and sites for property owners, businesses and institutions, and their end users. The Building Solutions network in the Netherlands consists of the local brands Bosman,Schilt Bedrijven, Verkerk and VanderLinden. They work in several sectors, including industry, transport & logistics, property, healthcare and non-residential construction.

The solutions are provided during every phase – design, construction and maintenance – of building-specific environments and range from building automation, electrical systems, fire safety, climate technology, solar power and inspections to strategic maintenance planning.

VanderLinden
VanderLinden developed modular charge concept: Project Power+

VanderLinden developed Project Power+ Parking, a modular charge concept with solar car parks, charging stations, wind-energy generation and a solution for storing the generated energy. The sustainability and energy challenges are in buildings but also on their sites. VanderLinden has developed solutions to deal with the daily challenges of its clients, now and in the future. It found those on its own site by combining solar and wind with the electricity grid, battery storage, charging stations, and parking spaces with charging stations. VanderLinden accelerated the development of this modular charge concept and built it on its own site. Clients can come and see this modular concept for themselves.

Verkerk

Energy dashboard provides grip on energy consumption

Many property managers and owners cannot get grip on the energy consumption and energy efficiency of their buildings or inside their buildings. Verkerk developed a tool for this purpose: the Energy dashboard. This dashboard works based on data of sensors. They measure the consumption at strategic points of the building and send the data to a secure online environment. With this data, property managers and owners can obtain a clear overview of the current energy consumption and the consumption over a longer period from the dashboard. This information can then be used to improve the energy efficiency and sustainability of a building. The dashboard also provides insight into the energy efficiency of different operating processes and equipment. The energy dashboard is more than just a system. It is backed up by a team of Verkerk specialists who help with analysis, advice, and with improving the energy efficiency.

Schilt Bedrijven

Low-energy air and cooling technology for Nieuw Kralingen Business

For the project Nieuw Kralingen Business in Rotterdam, Schilt Bedrijven provided the low-energy air and cooling systems. The project comprised a new, high-end business site with an office building, sports hall, and 16 business units. For the office, Schilt Bedrijven was responsible for the air ducts, the required air-technical components, 6 air-cooled hybrid HVRF systems, and one air-cooled heat pump on the instructions of installation company Easy Controls. In the sports hall, it installed air ducts and the required air-technical components but also 4 air-cooled HVRF-Y systems with hydromodules and fan convectors. The business units involved with air ducts and air-technical components and 16 air-cooled heat pumps and 16 heat-recovery units.

Bosman
ABN AMRO office becomes Paris-proof building

Bosman and BAM Bouw en Techniek entered into close cooperation to produce the technical systems for the new ABN AMRO homebase in Amsterdam Zuidoost. This building of more than 100,000 m² from the 1980s is redeveloped by Edge into a Paris-proof building, and renovated and designed in a circular manner. Approximately 70,000 m² of the premises are reused. Many of the materials that are recovered during the demolition will be given a new use. The roof and the façade will have 10,500 m² of solar panels. The building will also have a range of technologies to increase the energetic efficiency. The new office, with a BREAAM Excellent sustainability certificate, will be a healthy and inspirational work and meeting place that is better for the climate and the immediate living environment.

Verkerk
Duurzaam onderhoudsplan voor Madurodam

The miniatures' theme park Madurodam has been using Verkerk's service for many years, for example for installing power supplies and distributors, but also for modification projects. Since 2000, Verkerk also provides Madurodam with advice on and maintenance of all building-specific climate-control systems. The theme park opted to have the management of the building-specific systems carried out on the basis of Verkerk's Sustainable Long-Term Maintenance Plan (DMJOP) as of 2024. It provides the client with a clear overview of short-term, medium-term, and long-term investments. The order comprises an accurate condition measurement based on NEN2767, a DMJOP based on the Recognised Measures list of the Dutch Central Government Real Estate Agency, and advice for sustainable maintenance at all levels. Verkerk also advises Madurodam on keeping the HVAC systems in optimum condition in view of energy and CO_2 reductions in a Sustainable Long-Term Investment Plan.

VanderLinden

VanderLinden carries out maintenance on special sustainable office building

In the city centre of Eindhoven, there is an exceptionally sustainable Rabobank office building. It has a BREEAM excellent certificate and an A+++ energy label. When the building was constructed, Bosman was responsible for all the low-energy technology, including a thermal-energy storage system, solar panels, and LED lighting. VanderLinden then took over for the maintenance of these sustainable installations on behalf of a.s.r. real estate as lessor and on behalf of Rabobank as lessee. An excellent example of cooperation between VINCI Energies Building Solutions in the Netherlands. In preventive, predictive and corrective maintenance of all technical installations VanderLinden not only ensures sustainable maintenance. They also ensure that it contributes to optimal health and nice liveability in the building for the users.

Bosman

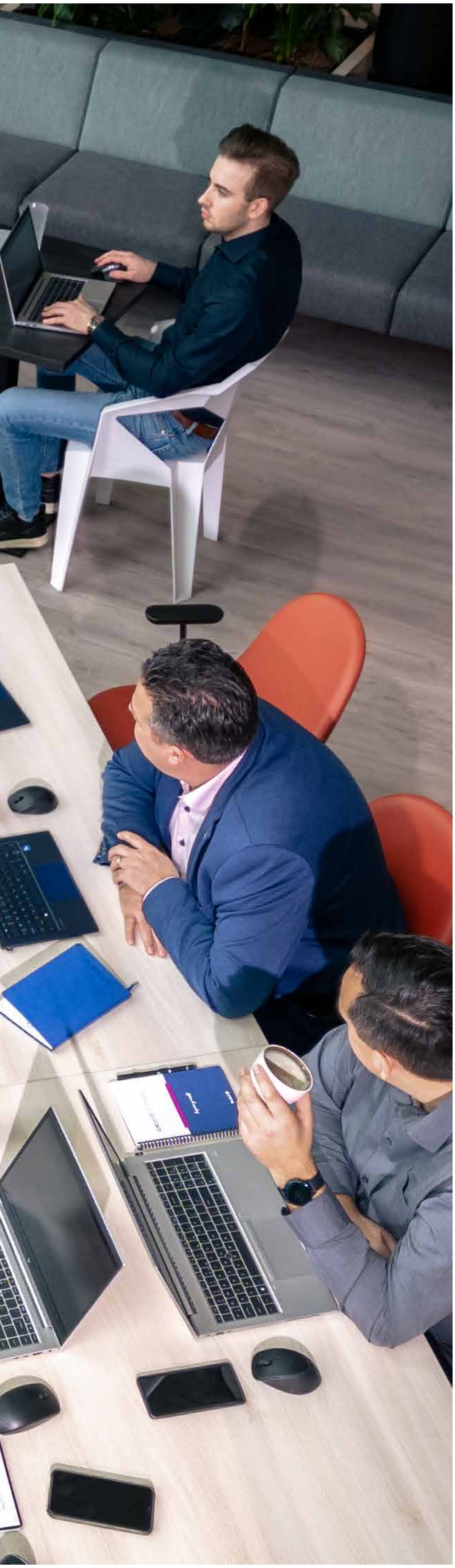
Large scale renovation and improved sustainability for Staal-Kade

Together with developer Flow Development and G&S Bouw, Bosman is working on the large-scale renovation of Staal-Kade in Amsterdam. These office premises, with a restaurant on the ground floor, occupy a surface area of approximately 10,000 m^2. Besides the renovation, two new floors will be added to the existing nine floors. With this renovation, the premises become more sustainable and are upgraded to current modern standards. The office building will be equipped with sustainable systems to achieve a BREEAM excellent certificate. For example, the premises will have completely new sanitary, electrical and mechanical systems, with a new solar system, specially designed climate-control ceilings and lighting systems with smart sensors. The old systems are sorted and collected for recycling.

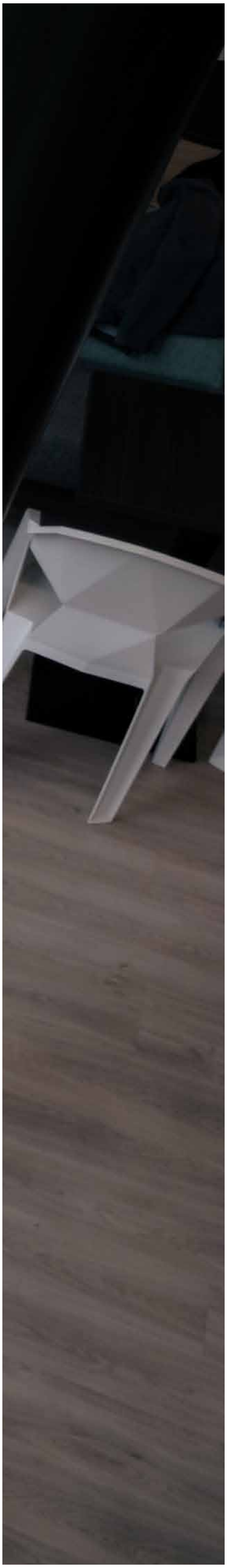
Bosman
The Ensemble, sustainable mixed-use high-rise

Amstel III, an area in Amsterdam that was once destined for offices, is transformed into a mixed neighbourhood where living, working, shopping, education and facilities come together in a park-like environment. Developer Wonam is building the new-build project The Ensemble in this area. The project comprises two towers with 592 rental flats, a six-floor plinth with various facilities on the ground floor, including hospitality businesses, a health centre, an underground car park for 250 cars, and 20,600 m² of office space on the first to the sixth floor.
On the instructions of Cordeel construction company, Bosman and its partner Yver Techniek contribute by dealing with the mechanical, electrical and sanitary systems for the flats, office spaces and the facilities, with the exception of the thermal-energy storage system. A BREEAM Excellent certificate is the aim for the offices.


ERP
THE FUTURE IS NOW



In line with our commitments and values.



5 Sustainable Development and Governance

At VINCI Energies we are convinced that people are our most important asset in the organisation. Therefore, our team5work actively on health, safety and well-being, ethics, knowledge transfer, the environment and involvement in local communities. These initiatives demonstrate our convictions and our values of responsibility and solidarity. The efforts of our teams, which are closely matched to the priorities and needs in the Netherlands, reflect the core identity of VINCI Energies and are in line with corporate social responsibility.

Interview with Eus de Haas, Country Director & General Counsel

'ESG is about long-term value creation. Who cares, wins.'

— **Eus de Haas**
Country Director & General Counsel

The European Commission requires large companies to be audited for ESG: Environment, Social and Governance policy. 2024 is the first year that ESG policies have to be implemented in the annual report for that year. How does ESG relate to the Manifesto of VINCI Energies, our starting point for Corporate Social Responsibility?

"All our employees endorse the principles of Corporate Social Responsibility of the VINCI Group. We translated those principles into eight convictions: our Manifesto. These eight convictions have been derived from the objectives of the UN Global Compact, which has been signed by VINCI."

"Of course, our beliefs cannot remain just good intentions. That's why we have our progress on the way to the objectives of the United Nations that underpin our Manifesto audited by an independent party, EcoVadis. In 2023, we achieved Platinum status again in the EcoVadis review."

"The European Commission decided on a Corporate Sustainability Reporting Directive (CSRD). This sets out how large companies need to report on their activities in the area of sustainability policy. Sustainability requirements can be categorized in Environmental, Social and Governance (ESG). Being a large company according to the OECD guidelines, VINCI Energies Netherlands needs to comply with ESG reporting, based on the European Sustainability Reporting Standards (ESRS)."

How will the performance of a company in the area of ESG be tested?

"This is done by an external auditor, who performs the financial audit and the ESG audit based on double materiality. The impact of the CSRD on the financial performance of the organisation and the impact of the organisational activities on the society. The ESG audit will check whether you do what you say and how you prove that. We now have systems that record all sorts of matters that result in KPIs: Key Performance Indicators. The CSRD and the corresponding European Sustainability Report Standards are enabling us to define a Sustainablity Dashboard with partly compulsory KPI's."

Does the ESG legislation fit with the Manifesto?

"Yes, because VINCI amended the Manifesto which is connected with her Duty of Vigilance Plan. The Manifesto identifies the specifics in its eight convictions, ensuring it fits in even better with the ESG. For the Governance element of ESG, you need to record what you as entrepreneur do in terms of opportunities and taking risks in this volatile world. We have an Opportunity and Risk Management Model for that and a Project Review System for managing larger projects."

"And in the area of Ethics – another aspect of Governance – we perform third-party analyses. We assess our clients, suppliers and subcontractors to determine whether they are respectable and transparent entrepreneurs. Our business units do that themselves, as they decide who they work with. We record that, enabling clients, external auditors or the government to review our position."

"Take information security and the General Data Protection Regulation. More than 60% of our companies is already certified for information security in line with ISO 27001. With these systems and certifications, we can safeguard the objectives we communicate internally and externally to our stakeholders."

Do we have systems to record our Environmental performance?

"We set up eVE for example, 'environmental VINCI Energies'. That is where we monitor our CO_2 footprint per business unit. That leads to a report about all types of energy consumption, the sustainability of our buildings and the use of electric vehicles. We have our footprint certified by external auditors for the CO_2 performance ladder. Nationally we have reached level 5, the highest level."

"We also consider how our solutions and services impact the CO_2 footprint of our clients, in order to help with their reduction as well. We created a database of what we purchase and pass on to the client, so that this can be expressed as a CO_2-footprint factor. Then we can do something about it

together with the client. We have the expertise in-house."

And Social?

"In Social it is all about the well-being of our employees. They are the basis of everything we do. So, we offer them a good salary and the opportunity to join a share programme. We strive to provide physical, social and mentally safe workplaces where employees can develop and have a meaningful experience at work. And an environment that provides room for diversity and where people feel valued. In summary, it is about healthy working relations where we strive for happiness at work. That includes our accessible and anonymous. Integrity procedure for reporting a breach of good working relationships, safety or environmental incidents, fraud, or anti-competition rules."

"In other words, we embed and secure our processes and have systems to arrive at financial and non-financial KPIs. That means we can be assessed on how we perform in terms of ESG in respect of our stakeholders. By reporting on financial and non-financial KPIs, we can be assessed on long-term value creation and our contribution to ecosystems – partnerships – with clients and suppliers. Who cares, wins."

All-round performance for sustainable development

All-round performance, the link between our operational activities and the core values of VINCI Energies, the Manifesto, and corporate social responsibility are part and parcel of implementing our operational activities and our journey to sustainable business operations. Our aim is that they meet the expectations of society, our clients and other stakeholders. We realise that they must also meet the expectations of new generations of employees, who we would like to give a role in helping us to take responsibility. Together we work on a sustainable future with a healthy balance between shareholder value and jointly created social value with all stakeholders.

External audits

This sustainable form of business operations and corporate social responsibility has been assessed by external auditors, including Det Norske Veritas and EcoVadis, for many years. EcoVadis rewarded us with the Platinum Award for our CSR policy in the area of 21 topics that are grouped around Environment, Social Policies and Governance. Ethical business operations, attention to solutions that lead to preserving a future-proof environment, healthy employment relationships, human rights, and a sustainable supply chain are spearheads. We know that sustainable business operations, which take account of the expectations of society, contribute to our 'licence to operate'.

An integrity procedure is part of an open business culture

VINCI Energies Netherlands has a digital point of contact and website where every employee can report when they are confronted with things that may not be quite right. This could involve quite a range of topics. For example, issues that affect working relations, environmental crimes, cybersecurity, GDPR protection, or issues that affect health or safety at work.
The procedure consists of a number of elements. In first instance, an employee will report to a supervisor, as is customary when working relations are good. Depending on the situation, a manager or director can also be approached. Another possibility is contacting the confidential counsellor or the compliance officer of VINCI Energies Netherlands. The integrity procedure is part of our personnel schemes. With the procedure, we want to make reporting as easy and safe as possible. That is part of an open business culture.


VINCI

03

INTERNE
INTEGRITEITSREGELING
VAN VINCI

Ingevoerd bij de VINCI Energies Netherlands vennootschappen als lokale regeling in aanvulling op de personeelsregeling.

Inhoud
1. Toepassingsgebied
2. melding maken van een misstand
3. Integriteitsplatform van de Groep
4. De behandeling van meldingen
5. Bescherming van melders
6. Informeren van personeelsvertegenwoordigers, medewerkers van de Groep, derde ondernemingen en betrokken partijen.
7. Rapportage
8. Audit van de specifieke systemen in de Pôles, divisies en entiteiten
9. Evolutie van de integriteitsregeling van de Groep
10. Bescherming van persoonlijke gegevens

Bijlage met uitleg

JANUARI 2019

Our values

Trust: Trust is at the heart of our working relationship and is deeply nurtured by proximity, enabling everyone to demonstrate their talent. Trust is given, earned, and rewarded so that everyone can work together. Trust is based on transparency and does not exclude control.

Entrepreneurial mindset: We empower and acknowledge everybody's ability to take initiatives, weigh up risks and seize chances, Autonomy | Trust | Solidarity

Entrepreneurial mindset | Responsibility

envision and achieve success. We value the ability to make decisions and to deliver. Being able to say "no", being careful and selective is also part of the entrepreneurial mindset. We acknowledge the right to make mistakes.

Solidarity: We demonstrate solidarity within VINCI Energies by working as part of a network to share knowledge, activities, and resources for greater innovation and better performance and responsiveness. We work as a network, and we value people who are willing to give and share. Employees and business units also show solidarity by getting involved in civil society and local communities. Our solidarity is shown in good and bad times.

Autonomy: Autonomy is granted to our business units with the ability for people to make their own decisions, within a defined framework. Autonomy embraces the concept that each situation is specific, and we believe in human intelligence. We also aim at empowering each and every employee to develop their talents and potential. Autonomy is not independence; it also encompasses communication and transparency.

Responsibility: We empower and give responsibility to everyone, no matter their level within the organisation. We are convinced of the ability of our employees to work responsibly and to assume this responsibility. It is key to our success.

Environment

The VINCI Group is dedicated to the ecological transformation of the environment, infrastructure, and mobility with three important focus areas: respect for the climate, optimising resources with a circular economy, and preserving natural environments. At global level, the VINCI Group has committed to reducing direct emissions by 40% by 2030 and to developing solutions that accelerate the environmental transition of clients and its activities, with the aim of being CO_2 neutral by 2050.

VINCI Energies Netherlands endorsed the environmental ambition of the VINCI Group, and its target is to reduce CO_2 emissions for scope 1 and 2 by 60% between 2018 and 2030. It also aims to reduce indirect emissions by 20% between 2019 and 2030. With the conviction that it is our responsibility to find suitable and practical solutions for climate change together, we work on reducing our ecological footprint and support our clients with the energy transition at the same time.

All our business units include these principles in the annual review of their plans. In 2050, VINCI Energies Netherlands aims to be CO_2 neutral in line with the Paris Climate Accord. We also support our clients in their search for better energy efficiency. We encourage them and our suppliers to adopt our environmentally responsible approach. We share our performance and reports in the area of the Environment with our clients.

-60%
Target of CO_2 eq reduction 2018 to 2030

-35%
Reduction of CO_2 eq 2018 to 2030

38%
Of our locations has solar panels

100%
Of green and renewable electricity consumed

37%
Of the fleet electrified of hybrid plugin

43
Qualified people on environment

Our objective to reduce greenhouse-gas emissions is supported by our business units and brands. The environment and the impact of operational activities is often an essential part of decision-making processes. The business units focus on reducing the footprint of their own operational activities with specific measures. For example, by encouraging our employees to commute by bicycle and making bicycles available for this purpose, by promoting the use of electric vehicles, by installing solar panels, and by separating waste on the sites. There is also a programme for all employees that teaches them how to drive safely and economically with e-learning.

CO_2 performance ladder

To actually achieve our targets, we use the CO_2 Performance Ladder in the Netherlands. It enables us to find out where we stand and where our action points are for CO_2 aware actions in our business operations and in carrying out our projects.
We ask all our employees, managers, and suppliers to participate in developing plans and carrying out activities. The main focus areas are energy and fuel savings, the efficient use of materials, and the use of renewable energy. We notice that quite a few gains can be achieved here in our own business operations and in those of our clients.

CO_2-aware certificates

VINCI Energies Netherlands has been awarded CO_2-aware certificates for its efforts to reduce greenhouse emissions since 2013. In 2023, we received the Level 5 Certificate, the highest level of the CO_2 performance ladder. It demonstrates that sustainable business operations are commonplace in all business units, businesses and brands of VINCI Energies Netherlands and that we work with stakeholders in the value chain to achieve that. The audit is performed by Bureau Veritas.

CO_2 emissions (scope 1 & 2 in tonnes of CO_2eq)
percentage CO_2 reduction
CO_2 emission acquired companies

Monitor CO_2 footprint

In the supply chain, environmental compliance and the performance of suppliers and subcontractors are registered and tracked in a Vendor Portal and Contract Database. We work actively on reducing the emission of greenhouse gases and we comply with the guidelines of the European Energy Directive by taking part in the CO_2-Aware programme. In 2022, we launched the reporting tool eVE (environmental VINCI Energies) which we use to monitor the CO_2 footprint per business unit for scope 1 and 2 on a quarterly basis. That leads to a report on all types of energy consumption, the sustainability of our buildings and the use of hybrid and electric vehicles. A considerable part of our mobility is achieved with our corporate fleet. Over the coming years we will make our car fleet completely sustainable by replacing company vehicles and lease vehicles with electric or plug-in hybrid vehicles when they reach the end of their contract period.

Although we live in a wetland country, we also pay attention to reducing our water consumption to contribute to biodiversity goals. Since 2018, our water consumption per employee has been reduced by 12.7%.

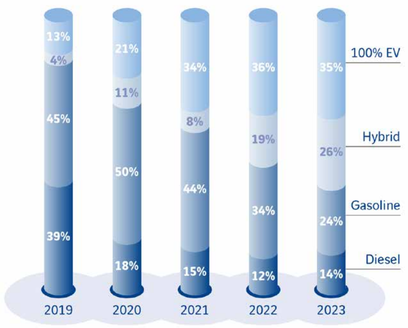
Furthermore, our business units are committed to separate their waste as much as possible and offering it for reuse. Here, too, we are improving every year.

An environmentally friendly culture

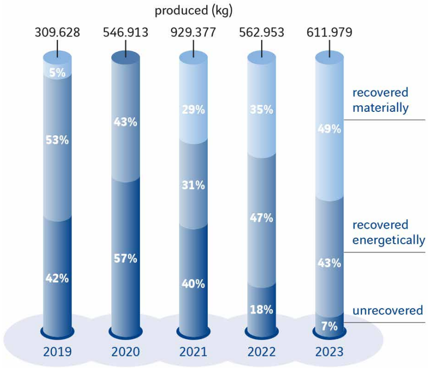
To improve our environmental performances every more, we involve all our employees in this challenge. This is achieved by actively linking different expertises and by encouraging cooperation on this topic. Consider Procurement, HR, client managers, business development and environment experts. The network in our organisation is motivated to come up with innovative and creative solutions in every step of our processes, for our own organisation and to support our clients.

Cooperation with partners for long-term value creation

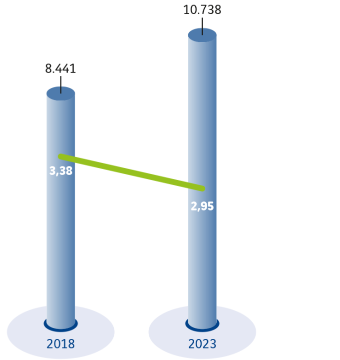
Continuing to create value for the long term requires us to work even more closely together with our partners in the chain. We can only achieve the necessary changes and innovate for sustainability together. That conviction and need inspires us to work with clients and suppliers, but also with other stakeholders such as knowledge institutes, sector organisations, and young, innovative entrepreneurs. A few examples. With suppliers we develop initiatives to limit residual waste and to produce new products from waste flows. We also consider each other's certifications. With clients we develop plans for ways they can reduce their CO_2 emissions. Young entrepreneurs think about innovation and solve issues, whilst we support them with their entrepreneurial skills. Cooperation is essential to a sustainable chain.



Replacement of cars over the years
Source: total fleet WPO



Waste (kg)



Water use (in m³)
average consumption per person in m³

Green Ambassadors host Sustainable Trail workshops

In 2021, we started the Green Ambassadors network to encourage awareness and creativity in the area of environmental issues in our business units, to share it and convert it into specific plans. For our own organisation, our clients, and our partners in the chain. This network meets three times a year to share new developments. All Green Ambassadors are trained to give Sustainable Trail workshops in the business units. The workshop was developed by VINCI Energies environment experts and helps to identify the environmental impact of projects and to build solutions that reduce that impact. The workshop also helps to increase awareness of our environmental ambitions.

Environment experts in the Netherlands; together in E-network

As part of the HSEQ platform, the environment was too much under the radar as a topic, so an E-network with a greater focus on the environment was launched. This E-network of 14 experts met for the first time in September. It brings together colleagues who have sight of key processes and systems in the business units and who have knowledge of environmental topics. The aim is to share knowledge, learn from each other, encourage actions, and monitor progress to integrate all the relevant processes of our environment ambition. This will be achieved by developing an environmental ladder in line with the safety ladder. The e-network meets quarterly.

OneEarthChallenge

In 2023, the VINCI Energies Europe North West division, which includes VINCI Energies Netherlands, launched the OneEarthChallenge to draw our clients' attention to our environmentally friendly solutions and successes. The Netherlands submitted 30 solutions of a total of 140 submissions. Our business units demonstrated that they are working actively on finding solutions for environmental challenges. Three of the Dutch projects were presented with an award on the VINCI Environment Day in September. In the Infrastructure business line section, Omexom's 'reuse control house' project has already been highlighted in this annual report. The other two winners are Actemium and Axians.

Hot-water buffer for brewery

With the project Hot Water Buffer, Actemium also won a OneEarthChallenge Award in the category Best Pitch. This project involved installing a hot-water buffer at Royal Swinkels Family Brewers. This generates energy savings of more than 15% for the brewery, which equals 4 million m³ of natural gas per year or the gas consumption of 2,000 Dutch households. The central part of the new system is a large tank with hot water. This is fed with residual heat from the brewery and the malting plant, and passes it on to the brewing processes. It means the residual heat is no longer lost but reused. Extra heat pumps, condensers and flu-gas coolers ensure that the hot water is used in the right place, at the right temperature, and at the right time. The brewery also uses less steam and therefore less energy.

Sustainable Data Storage as a Service wins Award

In the category Digital Transformation, Axians won the OneEarthChallenge Award with the project Sustainable Data Storage as a Service. Nine out of ten times, local authorities and businesses still use monolithic data-storage systems with rotating discs. The storage density of these systems is extremely limited. As a result, they take up a considerable amount of unnecessary cooled rack space. The energy consumption is extremely high compared to chip-based storage systems. The monolithic structure also leads to unnecessary replacements of components at renovation and upgrade times. That produces a considerable amount of electronic waste. Axians developed the Gaia data platform where it helps clients to reduce their energy consumption. The Gaia data platform is implemented as a service of 415 TiB on the basis of Pure Storage technology. By using QLC technology, a much higher storage density is achieved with less energy consumption. By eliminating emulation software and moving components, the energy consumption is also lower.

green+
CALCULATOR

Clients increasingly ask for IT solutions with less environmental impact

The sustainability aspect of technology is becoming more important to clients. Therefore, they increasingly ask for IT solutions with less environmental impact. To provide those, Axians charts the entire chain to find out which suppliers and partners are involved. They also look at the environmental impact of every step in the chain and how the CO_2 emissions can be reduced for every step. This way, Axians aims to convert a linear chain into a circular one together with the suppliers and the partners.
To clarify the environmental impact of certain choices, Axians developed the Green Plus Calculator. It enables clients to see how much CO_2 they save if they purchase a remanufactured product rather than a completely new one. With more information, you can take smarter decisions.

VINCI Environment Day: extra emphasis on the environment

Sustainability is our shared responsibility, and it is a theme for us all. The VINCI Environment Day is intended to include all employees – inside and outside the Netherlands – in the steps taken by VINCI to reduce its CO_2 emissions. From awareness and inspiration to action. All business units paid attention to this topic. In some business units they picked up litter outside, and in other business units, at Actemium in Veghel for example, they held a workshop to improve environmental awareness.

Actemium and Omexom join the Branch Plan for Packaging

The Branch Plan for Packaging is an initiative of Techniek Nederland and Fedet (Electrical Engineering Federation) to contribute to a circular economy together with the installation sector. The aim is to minimise the use of primary raw materials for packaging and packaging waste in the chain. Many of our Actemium and Omexom business units have the same targets and joined this initiative. They work to improve their processes and to contribute to the reduction and high-grade re-use of packaging, and making it more sustainable.

Lease-a-bike: good for the environment and vitality

VINCI Energies Netherlands signed a master agreement with Lease a Bike. This allows our companies to improve their employee benefits with a bicycle scheme. Schilt Bedrijven was one of the first to introduce the new bicycle scheme. The agreement makes it really simple to choose and lease a new bike with a digital and fully automated platform that includes more than 1.800 bicycle shops. An employee has a choice of all types of bicycles, from a city bike to an e-bike or from a cargo bike to a speed-pedelec. With the bicycle scheme we encourage employees to contribute to reducing our CO_2 emissions and to keep their vitality.

Social

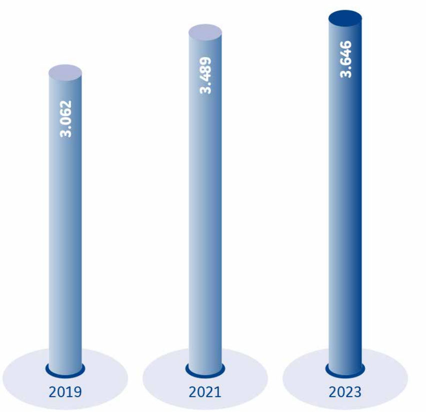
The VINCI Energies policy is based on a mix of operational activities in the long and short term. They are carried out in a socially responsible manner by a decentralised organisation. The human resources development policy takes account of recruiting, integrating and encouraging talent, diversity and of helping young people to give meaning to their life. This policy reflects our identity: we are a technical service provider whose success depends on the dedication and professionalism of our people. They are of vital importance to the success of our business model. We prefer people over systems. The social policy of VINCI Energies does not only concern our own employees and how we provide them with a socially safe work environment, it is also about how we deal with people outside our organisation.

The VINCI Manifesto with our internal convictions for sustainable business operations, lists 5 commitments related to the Social part of the European Corporate Sustainability Reporting Directive:

- Strive for zero accidents and a healthy work environment
- Foster equality and diversity
- Promote sustainable careers
- Share the benefits of our performance
- Engage in civic projects

People are at the heart of our organisation

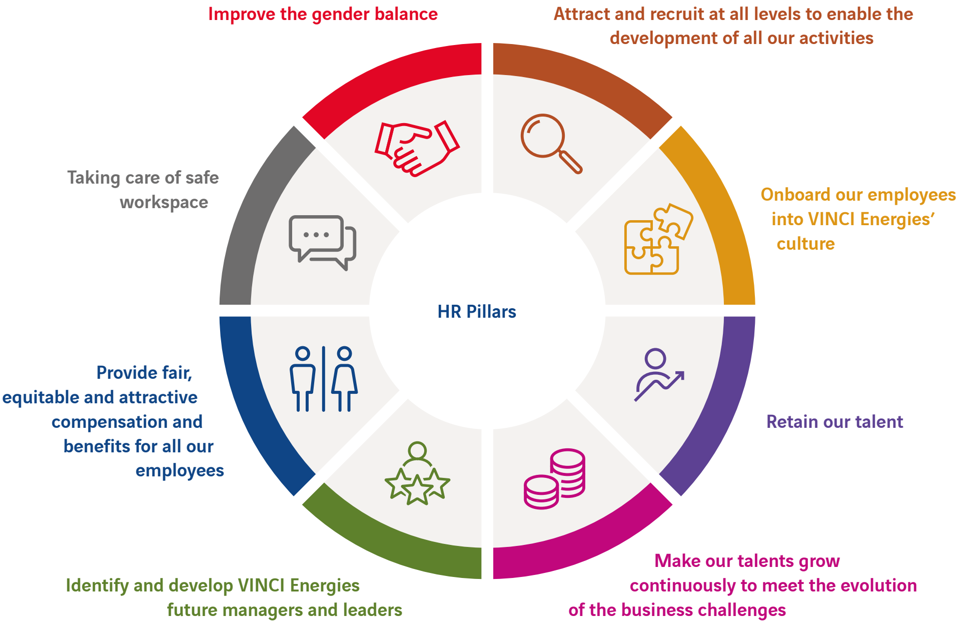
VINCI Energies Netherlands employs 3.646 people, of which 3.051 are men, and 595 women. In 2023, our organisation grew by 157 employees; 96 by means of organic growth of our business units and 61 through the acquisition of Kenmerc Business Solutions and Opal.



Growth workforce
(headcount)

All the companies within VINCI Energies Netherlands with more than 50 employees have a works council or personnel representation based on legislation that applies in the Netherlands. Companies with less than 50 employees also take part in this dialogue on the basis of the VINCI Energies core values. Employees may choose to join trade unions or labour organisations. Furthermore, 52% of our businesses together they have 1.851 employees – have signed up to a collective labour agreement. We are in close contact with employer's organisations, such as Digital NL, FME, VNO-NCW, Techniek Nederland and trade unions in the regions of our business units.

Based on the eight pillars of VINCI Energies Netherlands' HR policy, we are ensuring a safe and social working environment for all our employees, regardless of what stage of their career they are in. We devise policies for each pillar. These policies are implemented in our businesses units. Every business unit has its own responsibility for its people and their expertise. They are authorised to develop their own specific HR actions that contribute to the development of their business.



STRIVE FOR ZERO ACCIDENTS AND A HEALTHY AND SAFE WORK

We reject the notion that accidents at work are unavoidable. Our managers feel responsible for guaranteeing the health, safety and wellbeing of our employees at their workplace. It is our objective to be aware of safety at all times and to become a completely accident-free organisation as a result. We promote a safety culture where employees and managers are in dialogue about the safe implementation of operational activities. We encourage our clients to adopt our working methods.

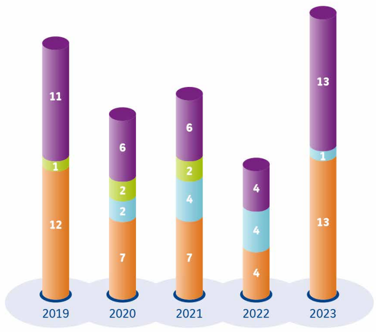
A socially safe and healthy work environment for everyone

Our safety culture goes beyond a safe execution of operational activities. We believe it is obvious that we provide a healthy and safe work environment and wellbeing for all VINCI Energies employees as well as temporary workers. In our business units, at the office, at our client, and on the road. We do this for and with each other. We set out this policy in a mission statement about Health, Safety and Wellbeing that is supported by all the business units.

At VINCI Energies Netherlands, HSEQ and HR business partners, depending on the type of business in which they operate, are involved in carrying out health and safety measures. Preventive policy and procedures are applied daily in the shape of all types of measures. They range from analysing risks in the value chain to updating and distributing safety standards and social safety.

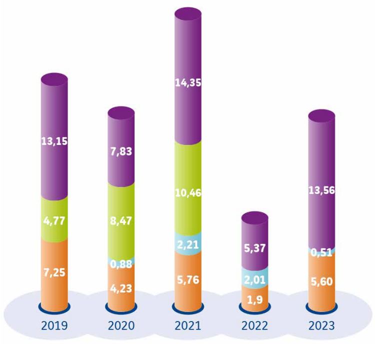
The business units of VINCI Energies define and apply their own actions for their sphere of work. The HSEQ and HR business partners organise specific toolbox meetings about safety and health that bring together all those concerned at a client site. They discuss and analyse near-accidents, accidents, and their underlying causes. They also give training, focused on the area of work of each business unit. In addition, the business unit meetings focus on social safety, work pressure, job satisfaction and happiness at work.

Each year, business units take part in the VINCI Energies Safety Week to promote a positive safety and health culture. Partners, temporary staff, subcontractors and clients take part in health and safety events. Different tools are used to report risk situations, near-accidents, and accidents. This information is compared to analyse trends and for feedback. The findings are used to improve prevention programmes for similar risks in the various business units.



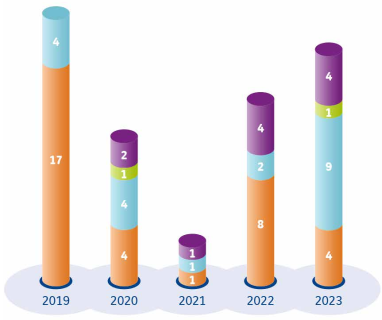
Accidents

Industry Building Solutions Infrastructure ICT



Rate of incidents

Industry Building Solutions Infrastructure ICT



Traffic Accidents

Industry Building Solutions Infrastructure ICT

Safety on the road

The number of road traffic accidents has been increasing over the past two years. Therefore, we encourage our employees not to be distracted whilst they are on the road. Online meetings are not permitted whilst driving nor can you join them by video link. We encourage a check-in, so that it is clear whether a colleague is driving during the conversation. It is asked whether the situation is safe enough to conduct a conversation. In 2023, we again made e-driver training available to all employees. Every 2 months, employees receive an invitation to attend the new e-learning course for safe and economical driving. A total of 3.832 courses have been completed.

Using the STOP button

Our managers feel responsible for guaranteeing the health, safety and wellbeing of our employees at their workplace, and to prevent accidents. As a learning organisation, we work constantly on improving safety and on a socially safe culture in which employees and managers conduct a dialogue about the safe implementation of operational activities and do not hesitate to hit the 'STOP button'.

We encourage our clients and subcontractors to adopt our working methods. We also consider it important to know how satisfied our employees are with us as employer. We appreciate their participation in the employee satisfaction survey (MTO). At least once every 3 years, we offer employees the opportunity to have a medical examination to have their health checked. Prevention is better than cure!

The various social-medical examinations of the business units showed up the issues experienced by employees. The report produced input to start work on specific points of attention regarding vitality, happiness at work, and social safety. We believe it is important that employees feel good at home and at work. We aim to support them. For example, Bosman started with the programme OpenUp. This is a tool to help employees with their personal development, at an emotional and a mental level. Other business units also developed social safety and vitality programmes, like this 'at work lunch' at VanderLinden.

Health & Safety year in Axians business units

In 2023, 11 Axians business units, that are specialised in Intelligent Apps and Business Apps, initiated and organised a joint Health & Safety year. The aim was to create a healthy, safe and supportive work environment that is centred on the wellbeing of employees. Energising and stimulating activities were organised throughout the year. The offer included: a slipping course, climbing workshop, a padel challenge tournament, chair massages, workshop stress & energy management and a GoodHabitz calendar that around 150 employees joined up to. This initiative was received positively and will be continued in 2024. The 5 business units focussing on Telecom and Industry also join in.

Better risk assessment before you start work

Safety comes first at VINCI Energies and that makes it the top priority of the Actemium business units in Veghel that specialise in panel building. Analyses of incidents and unsafe situations demonstrated that a number of incidents would have been relatively easy to prevent. How? With a better risk assessment before you start and by asking if it is actually safe to do the work.
Therefore, a tool was deployed for panel building teams that will help maintain a safe working environment: the Last-Minute Risk Analysis, or LMRA. By providing a check-list in credit-card format, every employee now has it in reach at all times. It enables the employee to use the credit card to perform the risk analysis before starting the work. It supports them with taking responsibility for their own safety and that of their colleagues.

Life Saving Rules that suit the specific business

In order to increase awareness of health and safety at work, Actemium business units in Doetinchem set up the HSEQ sounding-board group. This sounding-board group prepared Life Saving Rules and LMRA questions that are specifically relevant to their business. The Life Saving Rules are based on the major risks an employee can come across. The rules are a tool for carrying out the work safely and with awareness.
The LMRA, Last Minute Risk Analysis, is a brief risk assessment you carry out before you start work and makes employees aware of the risks during the work. It takes just a minute to answer the questions. The Life Saving Rules and LMRA have been printed on a sustainable lunch box and on stickers for toolboxes, phone covers, or a laptop. It guarantees that employees are constantly reminded of these important rules.

'Just' campaign to prevent accidents

Quite a few incidents crop up because people think it can 'just' be done. It happens much more often than we think. Simply because we 'just' want to help to 'just' get a job done. During the VINCI Energies Safety Week 2022, employees identified this 'just' topic as a recurring factor in incidents. So, in 2023, the Actemium business units that work in the oil and gas market, and the Omexom business units ran an awareness campaign on this issue.

They analysed 3 incidents, and they were used as examples. Those incidents did not have any serious consequences in the end, but could have ended quite differently. They were incidents involving working with electricity, working at height, and hoisting. The campaign was a massive boost of the awareness of the risks amongst employees. This initiative has also been shared with clients. They responded positively and have also rolled out the campaign in their own organisations.

FOSTER EQUALITY AND DIVERSITY

Our culture is based on bringing people with various backgrounds and expertise together. Our employees all share the same values and experience these every day again. With the Guidelines for Human Rights, we reject all forms of discrimination in hiring personnel, in the everyday work environment and in the career development of our employees. We train our managers in this requirement and impress it on our suppliers and subcontractors.

In other words, VINCI Energies wants its organisation to be a fair and honest reflection of society and to provide a safe and social work environment where everybody can be themselves. On the basis of our HRM pillars, we work on improving the balance between men and women and to be attractive to all people, irrespective of their origin, religion, age or gender. Everyone is welcome. We believe that more inclusive teams are more innovative, deliver better solutions and services and make better and more reliable decisions by integrating multiple perspectives. A number of different programmes in the business units promote a socially safe culture.

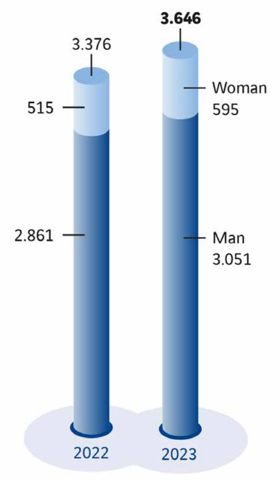
We also encourage diversification of our group of managers by focusing on women and people of different origins. The notion that it is impossible to find female managers for a technical service provider is the subject of flip-thinking in training sessions. We also strive for a good age distribution in all areas of expertise.

Attracting new employees

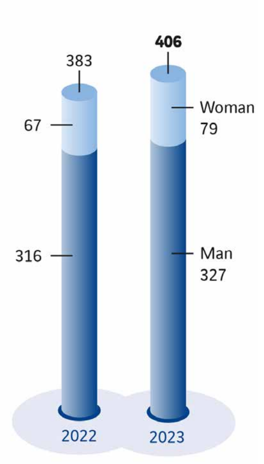
Achieving inclusion and diversity requires a conscious and considered effort. This is essential to remove the barriers and prejudices that may stop some groups of people from obtaining access to our organisation and being able to function within it. We are working on this by:

- using more neutral, gender-balanced language in vacancies and texts,
- including all population groups in the recruitment material and the recruitment channels.

This makes our recruitment processes more inclusive, and we can attract more qualified and talented candidates who can contribute to the success of our organisation. Among other things, we focus on social entrepreneurship.



Employees
(headcount)



Management roles
(headcount)

Social Entrepreneurship Performance

One of our companies has been able to renew its certificate for the Performance ladder Social Entrepreneurship. It achieved this by deploying employees with an autistic background for manufacturing products for our clients. This PSO performance ladder certificate shows that our Actemium business units in Veghel, specialised in panel construction, demonstrate more than average social entrepreneurship in the field of labour participation by vulnerable groups on the labour market. By sharing experiences with other business units, we create opportunities for more people sidelined from the labour process. It also helps that 26 business units have the Certificate Learning and Working Company.

Social safety: make it possible to talk about inappropriate behaviour

A number of Axians business units started to take a broader look at safety by putting Social Safety on the agenda. To that end, business unit managers and the HR team had a workshop about Social Safety. Mental safety was an important element. Using propositions, discussions arose on how to improve mental and social safety in the workplace. It created a lot of awareness about recognisable situations. After the workshop, the participants started working on it in their own business units. The aim is for everyone to feel safe enough to speak to someone about undesirable behaviour that might make you feel unsafe. And: making sure that this discussion proceeds in the correct way, with respect for each other.

Bosman on Tour with ROC students

To make its specialisms, business activities and work attractive to young people, Bosman believes it is important to have students a look in their organisation at an early stage. It is also a way of showing these future employees that Bosman is proud of its wonderful projects. In May 2023, there was 'Bosman on Tour' for Regional Education and Training Centre (ROC) students in Nieuwegein. In the morning, they were given workshops on, for example, BIM, working in project teams, safety and traineeships at Bosman. They were welcomed with a presentation about Bosman and its history. After the workshops, the students were split into groups that could see how it all worked for two Bosman projects in practice.

Verkerk Girls' Day: technology for girls

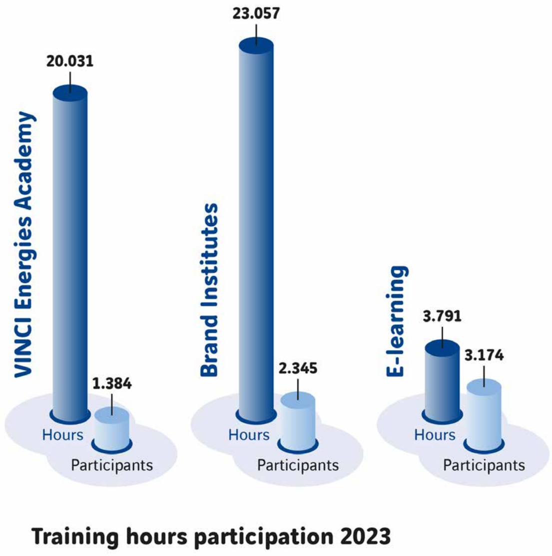
The Dutch installation sector is desperate for skilled workers. The employers association Techniek Nederland estimates that the Netherlands will need an additional 40,000 skilled technical people by 2025. Women are strongly underrepresented in technical professions. Verkerk is also looking for technical staff and organised a Girls' Day in 2023 on its own premises to enthuse girls about technical courses and professions. Around 90 girls from primary school De Twee Wieken and the lower vocational education organisation Zwijndrechts Waard came to visit Verkerk's sustainable building with label A++. A great place to experience the technology of the future. The girls were given explanations of pipe cutting, welding, and solar panels.

PROMOTE SUSTAINABLE CAREERS

We take a long-term approach to the relationship with our employees. We feel responsible for promoting a balanced career and personal development of our employees.

For our employees, working at VINCI Energies means contributing to our success and to solutions for the energy transition and the digital transformation. It also means working on their own future. With training and job rotation, we facilitate sustainable employability within our organisation and we provide employees with more opportunities should they leave our organisation.

Our HRM policy aims to retain and continuously grow talents. By developing in technical expertise and through personal development. Our talent management system Taliris provides structure to the development of our employees. It is how we identify and develop the future managers and leaders of our organisation. VINCI Energies Netherlands is focused on the energy transition and digital transformation, where technology never stops developing. Therefore, we promote lifelong learning for every employee and make a training budget available for everyone. For example, every employee can attend training on our own e-learning platform UP, but also via GoodHabitz.



VINCI Energies Academy.nl

In our organisation, all decentralised business units operate according to the VINCI Energies Way of life. That consists of shared core values that translate into working methods, business know-how, shared mentality, conduct, and language. The VINCI Energies Academy.nl provides management development courses for existing and future leaders and board members on a range of business topics, including retaining our management philosophy of decentralised control of business units and intrapeneurship of employees. Project managers, client managers and functional and support specialists attend comparable training programmes that retain and promote responsible entrepreneurship and leadership competencies.

Onboarding VINCI Energies Way of Life

To introduce our employees to the VINCI Energies Way of Life, our working methods, the VINCI Energies Academy.nl organises introduction days. Every month, all new colleagues attend this training. During these days, a joint and interactive game is played to acquire insight into our management philosophy Quartz and our core values, whilst the VINCI Energies Way of Life is explored in more detail. In 2023, there were specific introduction days for companies, such as Amecha, Aqualectra, Schilt Bedrijven and VerAutomation, that were acquired in 2022.

Brand Institutes

In addition to the VINCI-Energies-Academy.nl and the introduction days, our Omexom, Actemium and Axians brands have their own Institutes to broaden the competencies and technical skills of their employees and to anticipate future developments in their markets and clients through innovations. The brands also have specific traineeships and Young Professionals programmes.

Axians has worldwide Axians Institutes. The Axians Institute NL is dedicated to inspiring, motivating, and facilitating IT professionals. The aim is to increase and share knowledge. In 2023, the Axians Institute continued to develop. The range of professional training – for example the IT onboarding courses – is now offered to clients and its own employees. This concerns PowerBI courses, Experience Management, PowerApps and Automate. It also develops e-learning modules and advises the network of Axians with learning issues. The Axians Institute NL evolves constantly and continues to play a role in the learning needs and career development of the Axians employees.

As an all-round technical industrial specialist, Actemium wants to make society and young students enthusiastic about technology. This happens in the Industrial Technology Center (ITC) of Actemium. This is a multi-purpose building where Actemium lets pupils, students, companies, own employees and start-ups experience technology and raises it to a higher level together with them. They also work on technical systems and innovations of the future. The ITC also houses the Actemium training centre: the Actemium Institute. Experienced colleagues train their own employees, so that they have the right skills to develop in our organisation. There is also attention for lateral entrants. The heart of the ITC is the Edulab,
a technical experimental site for pupils and students of technical studies (secondary and higher technical education, and academic education). They can have their traineeship here or complete their dissertation. They work with machines, installations and tasks from businesses.

Omexom Institute is a training network for the energy sector. It provides businesses and individuals with the opportunities to strengthen their skills. With theory lessons, e-learning, virtual reality and practical lessons in a real high-voltage station.
The energy market has a major and growing need of new talents and expertise to achieve the energy transition objectives. Omexom Institute inspires people to turn their ideas into reality and to contribute to achieving these ambitious targets. This approach is the perfect fit with Omexom's ambition to be the preferred partner of players in the energy market.

Lateral entrants at Axians

For several years now, a business unit of Axians with business applications expertise has not only been looking for experienced IT consultants but has also been targeting lateral entrants. The major benefit is that it is finding more experienced colleagues. By now, several lateral entrants have been employed successful by these Axians business unit that will continue with this recruitment method.
The Axians business unit focussing on Integrated Solutions is also taking on lateral entrants, who attend the practical part of the software engineer course at Axians itself. This programme runs via Make IT Work. In cooperation with the Microsoft Azure Academy and Refugee Talent Hub, which helps refugees and holders of residency permits to find work, this business unit is also running a pilot to attract new talent.

Practical trainer Marijn van Exel in the final of TopCoach of the Year

Every year, WijTechniek organises the TopCoach of the Year competition. This competition is a mark of appreciation for all the practical coaches who do their utmost to inspire employees and students in the technical sector on a daily basis. And Marijn van Exel if certainly one of those! As head fitter and practical coach at Actemium, he demonstrated that he builds up relationships with his starting colleagues. He achieves attention to each other, to safety, to fun at work, and to development. He also makes it clear that people are important in a knowledge organisation like VINCI Energies. He was chosen for the final of the competition in 2023 from hundreds of entrants.

Two new business academies: ElektroPro and Verkerk Training Center

Schilt Bedrijven already had a business academy: AirAcademy. In 2023, two more started up: ElektroPro and Verkerk Training Center. ElektroPro is a cooperation between Actemium, Vanderlinden and Verautomation and the Koning Willem 1 College in Brabant. This academy provides vocational training programmes 2 and 3 Electrical engineering to young student fitters and lateral entrants. Meanwhile, eleven motivated apprentices have started, each at their own level and pace to learn the craft in electrical engineering, from panel building to installation. The Verkerk Training Center provides a mix of theoretical and practical courses and is open to young people who are interested in technology. In a practical space with all types of installations, young people learn to solve practical issues. The purpose of both business academies is to train young people to become technology professionals.

SHARE THE BENEFITS OF OUR PERFORMANCE

We strive to share the benefits of our growth with our employees around the world through employee shareholding and appropriate profit-sharing schemes.

By working together in the structure of our network organisations and autonomous business units we achieve our success. Sharing the success of our performance is an important value and a specific example of wellbeing and happiness at work. On the basis of our HRM policy, we work to provide all our employees with fair, reasonable, and attractive remuneration and perks. Therefore, we provide all our employees with the opportunity to share in our success by acquiring shares in our company through the CASTOR programme.

A total of 9.9% of VINCI shares is held by employees, making the employees together the second largest shareholder of VINCI. In the Netherlands, 47.8% of all employees participated in the Castor share programme. Employees receive bonus shares if they participate in this savings programme. The business units and subsidiaries also have profit-sharing schemes to reward employees suitably for special performances and jointly achieved results.

ENGAGE IN CIVIC PROJECTS

Our business operations are rooted in local service provision. Therefore, we support the engagement of our employees and businesses in sponsoring civic projects and in combating social exclusion. We achieve this with the VINCI Foundations across the world, specific VINCI Energies sponsoring for children and with local initiatives in our business units.

Solidarity initiatives of VINCI Energies around the world

As a group, VINCI Energies focuses on children in all its solidarity activities around the world. On their health, by supporting Mécénat Chirurgie Cardiaque. On their education, by supporting projects that provide children with access to education in a number of different countries. The 2.000 business units around the world are mobilised for these activities. Our business units in the Netherlands also commit to these solidarity initiatives.

Initiatives-Coeur

Since 2017, VINCI Energies has been sponsoring a humanitarian sports project: Initiatives-Coeur. This project involves cooperation with the charity Mécénat Chirurgie Cardiaque Enfants du Monde to help children with heart defects who cannot have an operation in their own country. The Initiatives-Cœur sailing yacht participates in renowned races and the financial support from partners provides Mécénat Chirurgie Cardiaque with plenty of media attention and helps to make the general public aware of this cause. The most recent race – Vendée Globe – saved 60 children.

VINCI Energies supports UNICEF*

VINCI Energies works to support future generations with their learning and education needs. Therefore, we signed a four-year partnership agreement with UNICEF France to support education projects in Benin, Brazil, and East Timor. These projects will provide quality education to thousands of vulnerable children via access to the digital world. Therefore, and because education reduces inequalities and promotes local development, we support UNICEF by means of this partnership.

** UNICEF does not support any business, brand, product, or service.*

VINCI Foundation NL

The VINCI Foundation NL has been active in the Netherlands since 2014. All the VINCI Energies business units in the Netherlands support the initiative to promote the principle that everyone in our society deserves his or her own place, role and dignity. It is logical to us that in our daily operational activities we take account of the society we live and work in and that we make it accessible to all. With personal coaching from employees and with financial resources, the foundation supports organisations that pursue a social and societal aim.

In 2023, the VINCI Foundation NL supported 7 foundations who asked for support for social-civic projects that match the selection criterion 'social integration' or return to society. With their programmes, these organisations give people self-confidence to lead a decent life and to take on daily chores, enabling a gradual return to society. Of these, we name a few projects supported by the VINCI Foundation.

"7 social-civic projects supported by the commitment of our own employees"

Stichting (Be)leef De Peerdegaerdt helps those at home to get moving

Stichting (Be)leef De Peerdegaerdt develops activities that contribute to strengthening social cohesion and improving the wellbeing of people and animals. This foundation works with children and young adults who dropped out of school or training. Being at home damages their development, can cause problems in the future, and puts a heavy burden on parents, other family members, or carers.

With the programme 'Op weg' (Get going), the foundation helps those at home to return to work, school, and society.

As there is a significant increase in those sitting at home, the foundation wishes to support more people. To deal with those, the foundation needed a stimulus-free indoor space. VINCI Foundation NL supported this initiative with furniture for this space.

Foundation Stichting Diverz involves young people and parents in society

Every day, Stichting Diverz works for the well-being and viable neighbourhoods for everyone in Zwijndrecht. Together with residents, volunteers and support organisations, Diverz improves the strength of residents and their self-sufficiency. One of the Diverz activities is a summer camp for approximately 30 children. In one week – away from the home situation – they learn rules and structure, cooperation and independence. Exercise, healthy food and a healthy lifestyle are key. In order to take the importance of rules and structure to the home situation, parent involvement is encouraged by having discussions with the families. Organising a summer camp each year, requires training and materials that make it possible to support young people. The VINCI Foundation supported this application.

In Queer Gym everyone feels safe to exercise and move

Many people are hesitant about going to a gym. Queer Gym Rotterdam is a place for everyone who really does not feel safe in a regular gym. Queer Gym believes that having fun, bonding and joyful time together contribute to being able to move about in society with strength, decisiveness and resilience. Irrespective of gender, orientation, colour or body shape.

Queer Gym wanted to be more inclusive for people with neurodiversity, people sensitive to psychosis, or a burn-out and incapacitated people. They needed low light, storage racks for materials, headphones, and curtains to create a stimulus-free environment. They also needed a new website so that blind people, those who are visually impaired, and those sensitive to stimuli can visit the website and attend the classes online. The VINCI Foundation supported this application.

Local solidarity initiatives by business units

In addition, VINCI Energies' business units themselves support initiatives to show their solidarity with a charity.

Axians supports cancer research with Alpe d'HuZes 2023

The Dutch cancer foundation KWF Kankerbestrijding works to eradicate cancer with scientific research, information, patient support, and by raising funds. They work with volunteers, donors, patients, doctors and scientists. In 2023, the Axians business units that work on Communications Solutions entered two teams in the Alpe d'HuZes. The essence of this event is to climb the Col Alpe d'Huez from the village Le Bourg-d'Oisans to alpe d'huez in France on foot or by bike, six times, to raise money for the KWF.

The Axians teams did their best to raise as much money as possible for KWF by announcing the initiative to colleagues, clients, and partners. The sponsor contributions from business contacts, and the income from donations from family, friends and colleagues meant that Axians CS could donate € 38,000 to the KWF.

Swimming together against cancer

In September 2023, employees of the business units of VerAutomation, Actemium and Aqualectra swam 3 km in the Spiegelwaal to raise money for cancer research during the Swim to Fight Cancer Nijmegen in Valburg. Employees of the Actemium business unit in Zevenaar also hit the water in the Swim to Fight Cancer Achterhoek. Swim to Fight Cancer is an initiative of Stichting Fight Cancer. Every year, they organise swimming events in open water, where participants and teams raise as much money as possible for cancer research. With this event, the swimmers of Nijmegen raised more than € 18,000 and those in Zevenaar € 9,051.

COMPLY WITH ETHICAL PRINCIPLES

Our reputation and ethical conduct are key to securing orders and to maintain our relationship with our clients. Our business units apply our Code of Ethics and Conduct and Anti-Fraud Code, and the VINCI guidelines for social and human rights, and health and safety all over the world. We commit to ensuring total transparency in our own practices and in those of our subcontractors and suppliers.

Therefore, we ask our business contacts to respect those codes and to confirm this in questionnaires and audits and by accepting the VINCI Supplier Global Performance Statement in the VINCI Energies Vendor Portal. In the context of the VINCI Anti-Fraud Code, the European Directives and Dutch legislation in the area of financial supervision, money laundering and economic crimes, our most important clients, subcontractors and suppliers are asked to cooperate on a Third-Party Analysis Tool.

The importance of ethical business operations and integrity

In training and e-learning programmes for management and employees, the importance of ethical business operations, integrity, and preventing conflicts of interest is reiterated once more. All managers receive and confirm the Code of Ethics and Conduct and the Anti-Fraud Code with the ComEth application. This application can also be used to pass on the guidelines to their employees and to invite them for e-learning modules.

Risks and information security

Every year, our business units prepare a Corruption Risk Map, which tracks the relationships with clients, subcontractors and suppliers. It goes without saying that information security is an important principle for undertaking operational activities. Our stakeholders can rely on the fact that data of whichever nature will be treated confidentially.

Integrity scheme

All the listed risk-management measures are subject to an integrity scheme, which enables and encourages all employees to report breaches of their personal or organisational environment. They enjoy express protection of their career.

Internal Audits: self-assessments for sustainable business operations

VINCI Energies Netherlands is not only audited by accountants or an independent auditor. We also conduct our own regular VINCI Internal Control reviews, the VICTOR audits. It is a self-assessment about a number of topics that are important to our business and our stakeholders. The questions concern ethical business operations and good governance. We also look at risk management, preventing conflicts of interest, and we investigate our partners. We want everything to be correct in our value chain. Furthermore, as a listed company we are under the constant supervision of the stock market authorities. Shareholders and interest groups also take a critical look at our performance in all types of areas. Our self-assessments contribute to sustainable governance and entrepreneurship.

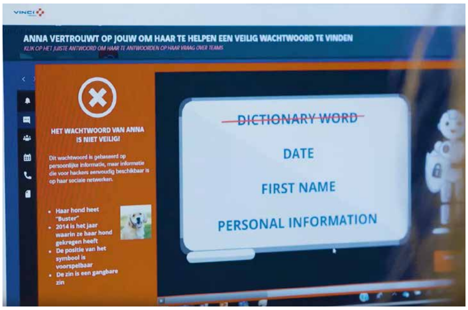
DESIGN AND BUILD

Our infrastructure, industrial processes, buildings, ICT solutions and other projects often serve the general public and the common good. We therefore strive to properly involve clients, partners, suppliers, elected officials, local residents and social organisations in our projects. That is how we create and maintain commitment to the way we implement our projects.

In our company we involve works councils in our plans and encourage their role in co-determination and developing the company. By connecting with employers' associations, such as Techniek Nederland, Digital NL and VNO/NCW, we are also piloted by shared insights and interests. Our membership of CSR Netherlands (MVO Nederland) highlights the way we embrace the Manifesto, just as our employees' membership of their professional associations. And finally, the required certification and accreditation, such as for information security (with ISO27001), environment (with EcoVadis and the CO_2 performance ladder), ethics, risk management, being a good employer, and responsible construction (such as BREEAM, Madaster and WELL), play an important role in the dialogue with our stakeholders and the communication with social organisations.

Vendor Portal

Via our Vendor Portal, our business units independently monitor and manage data of suppliers and partners, including name and address details, company number, VAT, IBAN, and all the safety, environment and quality certificates; it is uniform, digital and active. With the increasing attention to governance & compliance it is essential to check these data before we do business. In the decentralised structure of our company, we make sure that we have an efficient approach to suppliers and partners. We prevent the various businesses from reinventing the wheel, we create a reduced administrative burden, and we comply with governance & compliance.
From the start in 2016, 2797 of our new suppliers completed the Vendor Portal, 1648 were accepted, 597 did not comply with our compliance rules and 518 are still in the process of approval.



Cybersecurity, prepared for the unexpected

Cybersecurity/information security is an inextricable part of our organisation and services. The digitisation of processes, at VINCI Energies and our clients, continues to move ahead and the amount of digital data is growing exponentially. The safe processing of this data is a continuous focus of attention by means of raising the awareness of our employees and by taking the right technical measures in our IT infrastructure. Complying with our own information security policy, the applicable frameworks, and legislation, is becoming ever more important. Information and best practices are of the essence and are shared and practised in various ways.

Learn, practise and secure

Every VINCI Energies Netherlands employee attends a compulsory cybersecurity training and obtains a cybersecurity score. We conduct regular phishing exercises and an employee who 'took the bait' has to complete the training again. For large-scale threats, such as ransomware, a Crisis Management Plan was developed and tested in 2023 with a Cyber Security Crisis Exercise with top management and perimeter boards. Equipment, such as laptops and smartphones, is protected with strict security, such as endpoint protection, multiple authentication, VPN, and encrypting data.

ISO27001
30
business units

NEN7510
9
business units

ISAE3000/ISAE4302
11
business units

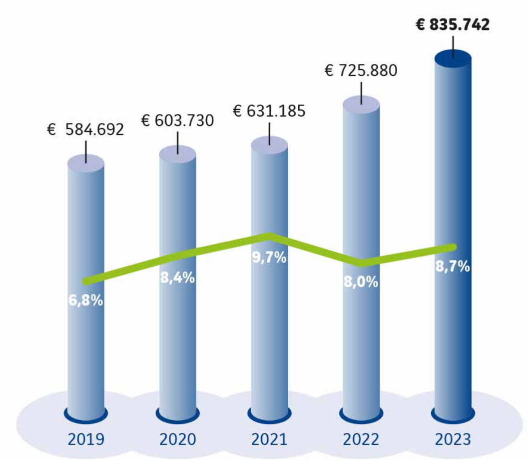
Proven information security

Proof, or compliance, is becoming increasingly important. The GDPR regulation and the NIS2 directive ensure that clients demand certainty from our business units as to how the implementation of those processes is 'information safe'. This proof can be achieved with certification. ISO27001, NEN7510 and ISAE3402 (SOC1/SOC2) are the most common frameworks.

Cybersecurity structure at various levels

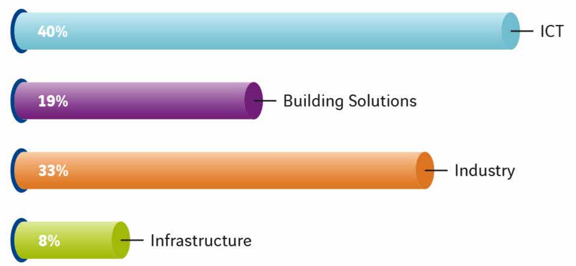
When it comes to control, knowledge, and safeguarding, there is a structure for cybersecurity that operates at various levels: cybersecurity management within VINCI Energies Netherlands, coordination in the perimeters by the Cybersecurity Compliance Officers and monitoring by local security officers at BU level. There is also more cooperation at international level with the Cybersecurity Managers (PISOs), for example. VESI audits are also performed on the instructions of VINCI. By repeating this periodically, we see that VINCI Energies Netherlands strengthens its cybersecurity.

6 Report on the financial statements for the year



Revenue and ebitda margin over the past 5 years

EBITDA



Revenue by business line

>3600
employees

74
business units

2
countries

6.1 Highlights of the period

Acquisitions & divestments

Acquisition Kennys B.V. and Mercash B.V.

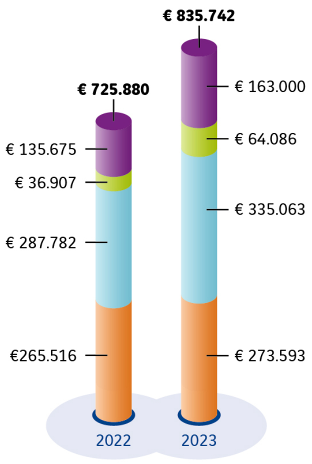
100% of the shares of Kennys B.V. and Mercash B.V. were acquired on April 28, 2023, with the Group's financial resources for an amount of € 4,983,010. Kennys B.V. founded in 1997 and Mercash B.V. founded in 1987 are vested in Waddinxveen and Hoorn with a total annual revenue of € 4.0 million and employs 38 people. With this acquisition, VINCI Energies strengthens the Microsoft portfolio of Business Applications in the Axians brand in the Netherlands. After the acquisition the companies were merged on August 4, 2023, with Kennys B.V. as acquiring party and the company was renamed to Kenmerc Business Solutions B.V.

Acquisition Opal Associates B.V.

100% of the shares of Opal Associates B.V. were acquired on July 20, 2023, with the Group's financial resources for an amount of € 2,114,299. The company, located in Nijmegen, has its origin in 2005 and realizes an annual revenue of € 5.6 million with 18 employees. With the acquisition of OPAL in Nijmegen, VINCI Energies strengthens its industrial portfolio with innovative logistics solutions. OPAL's expertise complements the existing portfolio of the Actemium business units in Zevenaar and Veghel that focus on logistics solutions in industry. OPAL now provides its services under the brand name Actemium. After the acquisition the company was merged on July 20, 2023, with Methec B.V. as acquiring party.

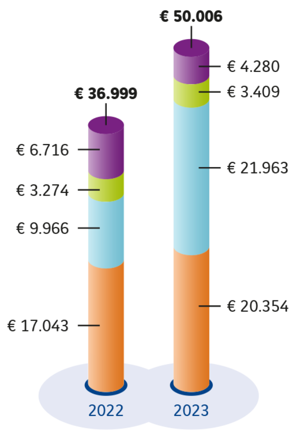
Divestment Bostec B.V.

100% of the shares of Bostec B.V. have sold on February 10, 2023 to Arlande Beheer B.V. The annual revenue of this company amounts € 2.8 million and employing 27 employees. The consultancy activities of Bostec focusses on creating process optimization. These activities are no longer considered as a strategic fit. The size and strategic directions make the company vulnerable and sensitive to the economy. Bostec B.V. will have a better fit with Arlande Beheer B.V.



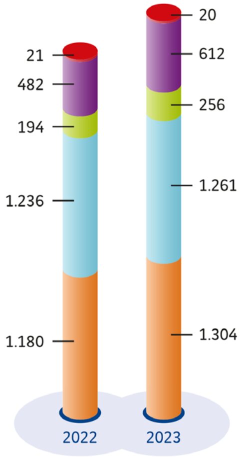
Revenue
(in € 1.000)

Industry Building Solutions
Infrastructure ICT



Operating Profit
(in € 1.000)

Industry Building Solutions
Infrastructure ICT



Employees (FTE)

Industry Building Solutions
Infrastructure ICT
Holding

Consolidated revenue

Consolidated revenue totalled € 836 million, up 15.1% relative to 2022.
The organic growth compared to 2022 was 11.1%.

Revenue by segment has developed as follows:

(in € thousands)	2023	2022	Increase / (decrease)	2023/2022 change Total	Organic
Industry	273,593	265,516	8,077	3.0%	2.7%
ICT	335,063	287,782	47,281	16.4%	15.6%
Infrastructure	64,086	36,907	27,179	73.6%	73.6%
Building Solutions	163,000	135,675	27,325	20.1%	1.0%
Revenue	**835,742**	**725,880**	**109,862**	**15.1%**	**11.1%**

Industry revenue totalled €274 million, up 3.0% on an actual basis and an organic increase in revenue of 2.7% mainly due to increase in activity and inflation. The increase at **ICT** segment is mainly explained by increase in sales and inflation. At **Infrastructure** we see an increase of 73.6% due to high investments by power grid companies. **Building Solutions** revenue increased 20.1% compared to 2022. The increase is mainly caused by the acquisition of Schilt in November 2022.
The organic growth is limited to 1.0% due to the market conditions in the real estate development.

Operating profit

Operating profit by segment has developed as follows:

(in € thousands)	2023	% of revenue	2022	% of revenue	2023/2022 change Variance	%
Industry	20,354	7.4%	17,043	6.4%	3,311	19.4%
ICT	21,963	6.6%	9,966	3.5%	11,997	120.4%
Infrastructure	3,409	5.3%	3,274	8.9%	135	4.1%
Building Solutions	4,280	2.6%	6,716	5.0%	(2,436)	(36.3%)
Holding	(1,641)		(504)		(1,137)	225.6%
Total	**48,365**	**5.8%**	**36,495**	**5.0%**	**11,870**	**32.5%**

Operating profit (as a percentage of net turnover) in 2023 was 5.8%, which is higher than in 2022 (5.0%). For Industry, the operating profit amounts to 7.4% and is higher compared to 2022 (6.4%). For ICT operating profit shows with 6.6% a sharp increase compared with 2022 (3.5%). The increase in 2023 is mainly due to strong project management. For Infrastructure the operating profit in 2023 (5.3%) has decreased compared to 2022 (8.9%). This is explained by less efficiencies on large projects in the power and grid.
For Building Solutions operating profit is 2.6% and thus lower than in 2022 (5.0%). This decrease in operating profit is mostly coming from loss-making projects.

EBITDA[1]

EBITDA (as a percentage of net turnover) in 2023 was 8.8%, which is higher than in 2022 (8.0%). This increase in EBITDA margin of 0.8% is mainly driven by the decrease in other operating expenses in relation to the revenue. Gross margin was in 2023 23.8% and is stable compared to 2022 (23.4%). As a percentage of the revenue, distribution costs and administrative expenses remained stable, while other operating expenses decreased.

1 Non-GAAP measurement

Workforce

>3600
employees

The number of employees increased in 2023 with 10.9% and is lower than the increase in revenue (15.1%). The cost of labour decreased related to revenue with 0.6% compared to 2022. The average cost of labour per full time equivalent increased with 2.4% compared to 2022. Whereas the cost of materials and subcontracting increased relatively with 0.5%, indicating a decrease in the labour part of the projects. The number of employees measured in full time equivalents increased at the ICT segment with 2.0%. The number of employees in Building Solutions increased with 27.0%. In 2023 the increase in number of employees in the Industry segment is 10.5%. At Infrastructure, the growth in the number of employees was relatively high with 32.0%.

Net income

Consolidated net income attributable to the owners of the parent was € 31.9 million in 2023, up 11.2% or €3.2 million compared with 2022 (€28.7 million). Net income as percentage of revenue 3.7% decreased in 2023 compared to 2022 (3.9%), mainly due to higher finance cost. The return on group equity, as in net result in relation to equity, equals 23.3% for 2023 compared to 24.0% for 2022.

Net financial surplus (debt)

			2023/2022 change	
(in € thousands)	2023	2022	Variance	%
Cash held in VINCI S.A. cash pool	71,511	40,465	31,046	76.7%
Cash	5,742	8,202	(2,460)	(30.0%)
Trade and other receivables	128,215	129,711	(1,496)	(1.2%)
Long term debt	(86,173)	(71,234)	(14,939)	21.0%
Long term debt < 1 year	(29,635)	(25,365)	(4,270)	16.8%
Trade and other payables	(64,034)	(77,939)	13,905	(17.8%)
Total	**25,626**	**3,840**	**21,786**	**567.3%**

Cash flows

Cash flows from operating activities increased to € 65.2 million, a 33.5% increase compared to 2022. Working capital increased with € 6.5 million mainly because of the decrease in contract assets with € 20.0 and the increase of contract liabilities with €9.7 million compared to 2022. The level of trade and other payables decreased with €13.9 million and the other current financial assets with € 23.2 million. The net cash used for investment activities has decreased significantly due to less acquisitions closed in 2023 than in 2022.

Net cash used from financing activities was in line with 2022 as one new loan was remitted in 2023 by VINCI Energies leading also to higher repayment. In addition, dividend was paid to our shareholder (€ 17.0 million). Finance cost was affected negatively due to foreign currency losses and increased interest rates.

Balance sheet and net financial surplus

Consolidated non-current assets amounted to € 234.8 million on 31 December 2023 (€ 218.3 million at 31 December 2022).

Net working capital increased with € 15.8 million from minus € 7.0 million at 31 December 2022 to € 8.8 million at 31 December 2023. Current assets increased with €29.1 million, mainly by an increase in cash and cash equivalents and an increase in other current financial assets. Current liabilities increased € 13.0 million, mainly by an increase in contract liabilities and other accrued expenses.

The consolidated equity was € 134.3 million at 31 December 2023, up € 14.8 million from € 119.5 million at 31 December 2022. The movements in equity consist mainly of the addition of the profit for the year and a decrease for the dividend of € 17.0 million paid to our shareholder.

Consolidated net financial position increased by € 21.8 million to € 25.6 million at 31 December 2023 (€ 13.5 million at 31 December 2022). That reflects long-term gross financial debt of € 115.8 million (€ 96.6 million at 31 December 2022) offset by cash of € 77.3 million (€ 48.7 million at 31 December 2022). The increase is mainly due to acquisitions and distribution of dividends. Consolidated solvability is with 24.8% in 2023 nearly on the same level as 2022 (24.1%).

The financial surplus-to-EBITDA ratio[2] stood at 0.35 at the end of 2023 compared with 0.06 financial debt-to-EBITDA ratio at 31 December 2022.

2 Non-GAAP measurement

6.2 Risk factors and risk management

The risk assessment process at VINCI is an assessment of key risks of all types (strategic, operational, staff, financial, etc.), that the entities may encounter in the context of their business activities. Instructions and guidelines are set by the Executive management, securing decision-making and the risk process management defines a risk when the sum of likelihood and impact are above a certain threshold. These thresholds are derived from the willingness whether to take measures to mitigate such risk, enhancing control of business activities. This degree of willingness is also called risk appetite. In general, risk appetite of VINCI Energies Netherlands B.V. is based on prudency and focussed on vigilance with reference to the Group's Internal Control Manual and fostering a shared view among employees of the principal risks encountered.

In addition to the strategic, operational and functional challenges addressed elsewhere in this directors' report, the interest rate risk, the liquidity risk and the credit risk are the main financial risks the entity is exposed to.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates primarily relates to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

A significant risk is related to purchases being made in USD currency. The Group manages foreign currency risk by hedging USD amounts to be paid in the future. As a result, the total impact is limited.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to this risk primarily relates to the Group's long-term debt obligations with floating interest rates. The Group manages interest rate risk by only obtaining intragroup loans, based on Euribor and a fixed incremental percentage. The variable component is a policy that the Group in the Netherlands accepts as an interest risk.

Liquidity risk and cash flow risk

The liquidity and cash flow risk are considered to be low, as the Group is financed through intercompany loans from VINCI S.A., being a well-funded, financially healthy organisation. Periodically, liquidity forecast is prepared. Liquidity risks are controlled through continuous monitoring of the cash developments. Any restricted availability of cash, along with bank guarantees are taken into account in the liquidity forecast.

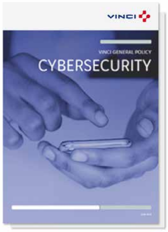
Credit risk

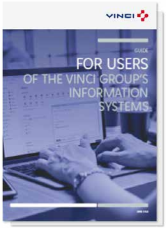
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Client credit risk is managed by each business unit and subject to the Group's established policy, procedures and control relating to client credit risk management. Credit quality of a client is assessed by an extensive credit rating scorecard and individual credit limits are defined accordingly. Outstanding client receivables and contract assets are monitored regularly.

The Group has a limited concentration of credit risk because of the limited number of very large projects.

More info on credit risk is provided in note 18 of the consolidated financial statements on page 105.





Cyber risk

The digital transformation of VINCI Energies Netherlands' business lines promises numerous development opportunities. However, they also bring new risks and threats. With the proliferation of communication channels, the exposure to cyber risks has increased and greater pressure is being brought bear by regulators.

Information security measures are protecting business information from a wide range of threats and must ensure business continuity, minimise business risks and raise return on investment and business opportunities. Within VINCI Energies Netherlands' business units, Information Security is achieved based on a structured assessment of business risks, determining, implementing, monitoring, assessing, maintaining and improving information security.

We have appointed a Security Officer working on Data Protection, Data Security Measures and GDPR. The implementation of ISO27001 in many of our business units is facilitated by the security officer as well. Furthermore, we have set up guidelines and best practises for the prevention of information security incidents. In collaboration with the business IT-teams, awareness and knowledge sessions have been organised in the business units. The information security topic has also been added to the onboarding program for new employees.

Geopolitical

The war between Russia and Ukraine and the sanctions imposed internationally will have economic consequences. The prices of gas and oil are rising extremely sharply, which influences energy prices. This in turn leads to high inflation. The scarcity of materials, which started in 2020, will lead to a further decline in the economy. The Business Units and brands of VINCI Energies in the Netherlands follow strict risk management guidelines to monitor and guarantee the continuity of the operational activities. For the time being, based on the current situation, there is no impact on our business, nor regarding suppliers, personnel or cyber-security threats. As part of the listed VINCI, we follow the group's guidelines regarding the measures and sanctions imposed by the EU.

6.3 Trends

The Dutch economy had grown by 0.1% in 2023[3]. With the growth in 2022 of 4.5%, the economy seems to shift towards more normal levels after the disruptive effects of the Corona pandemic and the ongoing war between Russia and Ukraine, which has pushed up inflation. This marginal growth was mainly drive by government spending and higher labour productivity. Despite the cooling economy, the tension on the labour remains very high. The salaries have risen in general with approx. 6.1% in 2023, which can be seen as a reaction on the high inflation in the last two years. The continuing aging of the population, the reduced supply of technical personnel from education and the increasing demand for personnel are leading to this overstrain in the labour market. The call for salary adjustment can lead to a salary price spiral development. It is becoming increasingly difficult to recruit qualified technical personnel. Staff retention is our primary focus.

De Nederlandsche Bank (DNB) expects that GDP will rise from 0.1% in 2023 to 0.3% in 2024. Corporate investments are expected to shrink by 1.1% but will rebound in 2025 to +1.6%. They expect the number of job seekers to grow faster than the growth in jobs and that the rise in negotiated wages will increase by 5.7% in 2024. DNB expects the budget deficit of GDP to rise to 2.6%. Inflation is expected to have peaked is expected to fall to 2.9% in 2024. Rising interest rates make borrowing more expensive. This will influence sustainable investments. Companies may consider postponing investments.

According to Statistics Netherlands, companies are spending more and more on environmental investments. This mainly concerns investments to improve air quality and a cleaner energy supply, such as air filters, catalytic converters, wind turbines and solar parks. The Dutch energy grid is becoming overloaded, and it is becoming increasingly difficult to meet the increasing energy demand. Electrification will play a key role in making the industry more sustainable. Investment in the energy transition will continue to increase in the coming years. The capacity to meet this increasing investment demand will be a bottleneck.

3 source: Statistics Netherlands

6.4 Outlook

The primary focus for 2024 will be the integration of the recent acquired companies. Following the successful implementation of ERP and reporting systems. We will continue our focus at the acquisition of companies that complement our portfolio and strengthen our market position. Our focus is mainly on the further expansion of engineering capacity in the Industry and Infrastructure segments.

We expect revenue to grow by 7.2% in 2024 compared to 2023 mainly in the business line Infrastructure. We believe this expectation is realistically cautious, considering the expected economic growth. The operational result will be relatively unchanged compared to 2023. The pressure on the market for qualified personnel is increasing. As inflation was high in the last two years, we expect that increases in wage costs will be inevitable. We expect that the organic increase in number employees will be 6.3%.

The investments in 2024 will be higher than in 2023, mainly related to making our own and leased properties more sustainable. In addition, we will invest in green construction sites in the Infrastructure business line.

The order book at the end of December 2023 amounts € 452 million and the market opportunities for 2024 are promising despite the geopolitical situation and the tense labour market.

In connection with article 276 Book 2 of the Dutch Civil Code we reported that the composition of the board of directors is unbalanced, since less than 30% of its members are female. The board members have been appointed based on qualifications and availability, irrespective of gender. In order to create more balance, the board takes these regulations into account to the extent possible for future appointments of board members.

Outlook by business segment

We expect revenue to grow slightly organically in 2024 compared to 2023. Overall, revenue is expected to grow by 2.2% in 2024. Order book at the end of 2023 was € 139 million, or 51% of the annual revenue. With the focus on the market segments oil & gas, food, breweries & drinks, feed, chemicals and pharmaceuticals, logistics and manufacturing, we continue to focus on developing powerful solutions for clients. This concerns production security, product safety, operational excellence and cost efficiency. The use of functional innovations, optimal protection aimed at the client's environment via cyber security, intelligent and integrated data systems, more industrial security, sophisticated maintenance solutions and smart virtual and augmented reality tools. Working with the client on solutions to an optimally performing production environment. Due to increase of expected investments customers share their investment plans in an early stage to assure resources for the construction of their (new) plants.

For ICT, concerning solutions & services and telecom solutions & services and barring exceptional events we are aiming to increase revenue, although more limited than in 2023 with a growth of 4.5% versus 2023. As our client base and recurring revenue base remains strong within the segments Dynamic Infrastructures, Business Applications, Intelligent Apps and Telecom Services & Solutions we are confident this will also have a positive impact on our operating margins. We will continue to partner with our clients to improve lives of people, of citizens living in cities, of shoppers seeking a better experience, of teachers and students achieving inspiring results, of patients expecting better care. We keep the wheels of industry, business and people moving and communicating across the world. The order book at the end of 2023 was € 164 million, or 49% of the annual revenue.

The infrastructure market segment is undergoing significant changes due to the energy transition. In the coming years a lot will be invested in the infrastructure of energy distribution. The demand for projects and project-based maintenance in the field of high, medium and low voltage by network managers and owners and by energy producers, as well as for other producers who consume or generate energy themselves, has increased enormously. The Russian/Ukrainian war has sped up the energy transition. The challenge will mainly be to have the right employees on board. Revenue is expected to be 58% higher than in 2023. The order book at the end of 2023 was € 43 million, or 67% of the annual revenue.

We expect for Building Solutions that revenue in 2024 will be equal to the previous year, mainly driven by the difficult market conditions in the real estate development. We see that projects are taking longer to realize, due to scarcity of critical materials and pressure on the labour market. Nevertheless, the order book is at a healthy level for all business units, which means that we are confident about the coming months and years. Order book at the end of 2023 was €107 million, or 66% of the annual revenue.

6.5 Post-balance sheet events

Events
There are no special events that should be taken into account for the financial statements.

Dividend payment
The board has decided to pay € 24.0 million dividend to VINCI Energies S.A.

7 Consolidated financial statements for the year 2023

7.1 Consolidated profit and loss account for the year ended 31 December 2023

(in € thousands)	Note	2023	2022
Revenue from contracts with clients	10	835,742	725,880
Cost of sales	10	(641,102)	(558,956)
Gross profit		**194,640**	**166,924**
Distribution costs	11	(74,622)	(64,858)
Administrative expenses	11	(9,346)	(5,933)
Other operating expenses	11	(62,307)	(59,638)
Operating profit		**48,365**	**36,495**
Finance cost	12	(3,661)	(359)
Finance income	12	36	1,255
Share of profit of a joint venture	8	505	343
Profit before tax		**45,245**	**37,734**
Income tax expense	13	(13,376)	(9,081)
Profit for the year		**31,869**	**28,653**
Attributable to:			
Owners of the parent		**31,869**	**28,653**

7.2 Consolidated statement of comprehensive income for the year ended 31 December 2023

(in € thousands)	2023	2022
Profit for the year	**31,869**	**28,653**
Other comprehensive income		
Exchange differences on translation of foreign operations		
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods		
Remeasurement gain/(loss) on defined benefit plans		
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods		
Total comprehensive income for the year, net of tax	**31,869**	**28,653**
Attributable to:		
Equity holders of the parent	31,869	28,653

7.3 Consolidated balance sheet as at 31 December 2023

(in € thousands)	Note	31 December 2023	31 December 2022
Assets			
Non-current assets			
Intangible assets	14	21,081	24,363
Goodwill	15	126,113	120,255
Property, plant and equipment	16	36,978	34,723
Right-of-use assets	17	43,340	28,904
Non-current financial assets	18	791	670
Deferred tax assets	19	12,840	9,365
Total non-current assets		**241,143**	**218,280**
Current assets			
Inventories	20	9,755	10,373
Trade and other receivables	21	128,215	129,711
Contract assets	21	51,550	71,521
Derivative financial assets	18	428	1,234
Other current financial assets	21	33,367	16,337
Cash and cash equivalents	22	77,253	48,667
Total current assets		**300,568**	**277,843**
Total assets		**541,711**	**496,123**

(in € thousands)	Note	31 December 2023	31 December 2022
Group equity			
Share capital	§7.5	113	113
Share premium	§7.5	53,700	53,700
Other reserves	§7.5	48,661	37,008
Result for the year	§7.5	31,869	28,653
Total group equity		**134,343**	**119,474**
Liabilities			
Non-current liabilities			
Non-current provisions			
Employee benefits	23	4,582	4,688
Loans and borrowings	24	57,725	53,590
Lease liabilities	25	28,448	17,644
Deferred tax liabilities	19	18,826	15,882
Total non-current liabilities		**109,581**	**91,804**
Current liabilities			
Current provisions	26	14,420	9,447
Loans and borrowings	27	14,390	14,065
Trade and other payables	28	64,034	77,939
Contract liabilities	29	126,182	116,491
Lease liabilities	25	15,245	11,300
Current tax liabilities	30	18,556	15,508
Derivative financial liabilities	18		54
Other liabilities and accrued expenses	31	44,960	40,041
Total current liabilities		**297,787**	**284,845**
Total liabilities		**407,368**	**376,649**
Total equity and liabilities		**541,711**	**496,123**

7.4 Consolidated cash flow statement for the year ended 31 December 2023

(in € thousands)	Note	2023	2022
Consolidated operating profit		**48,365**	**36,495**
Adjustments for:			
Depreciation and amortisation	14, 16, 17	25,986	23,538
Movement in working capital			
Trade and other receivables	21	(14,085)	1,318
Inventories	20	733	(1,730)
Trade and other payables	27, 28	(7,590)	14,292
Current provisions	23, 26	4,866	(3,298)
Contract assets	21	19,971	(36,505)
Contract liabilities	29	8,906	26,262
Cash generated from operations			
Income taxes	13	(14,305)	(11,515)
Net cash flows (used in)/from operating activities		**72,847**	**48,857**
Investing activities			
Acquisition of subsidiary, net of cash acquired	14, 15	(709)	(23,442)
Dividends received joint venture		505	343
Purchases of property, plant and equipment	16, 17, 25	(10,441)	(1,005)
Sale of property, plant and equipment	16	567	4
Others		(121)	(120)
Net cash (used in)/from investing activities		**(10,199)**	**(24,220)**
Financing activities			
Dividends paid to company's shareholders	§7.5	(17,000)	(13,500)
Proceeds from new loans and borrowings	27	18,525	
Repayments of loans and borrowings	27	(14,065)	(9,670)
Decrease in lease loans and borrowings	25	(17,897)	(24,831)
Finance income	12	36	1,255
Finance expense	12	(3,661)	(359)
Net cash (used in)/from financing activities		**(34,062)**	**(47,105)**
Net increase/decrease in cash and cash equivalents		28,586	(22,468)
Cash and cash equivalents at beginning of year		48,667	71,135
Cash and cash equivalents at end of year		**77,253**	**48,667**

7.5 Consolidated statement of changes in equity for the year ended 31 December 2023

(in € thousands)	Share capital	Share premium	Other reserves	Result for the year	Total equity
Balance as at 1 January 2023	**113**	**53,700**	**37,008**	**28,653**	**119,474**
Appropriation of the result of preceding year			28,653	(28,653)	
Net income for the period				31,869	31,869
Dividends			(17,000)		(17,000)
Balance as at 31 December 2023	**113**	**53,700**	**48,661**	**31,869**	**134,343**

Consolidated statement of changes in equity for the year ended 31 December 2022

(in € thousands)	Share capital	Share premium	Other reserves	Result for the year	Total equity
Balance as at 1 January 2022	**113**	**53,700**	**24,019**	**26,489**	**104,321**
Appropriation of the result of preceding year			26,489	(26,489)	
Net income for the period				28,653	**28,653**
Dividends			(13,500)		**(13,500)**
Balance as at 31 December 2022	**113**	**53,700**	**37,008**	**28,653**	**119,474**

The notes on page 77 till 126 form an integral part of the consolidated financial statements.

Notes to the consolidated financial statements for the year 2023

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8.2 General accounting policies and use estimates

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2 Basis of consolidation
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8 Notes to the consolidated financial statements for the year 2023

8.1 Corporate information

The consolidated financial statements of VINCI Energies Netherlands B.V. ("the Company") and its subsidiaries (collectively "the Group") were authorized for issue by the Board of Management on 7 May 2024 and will be submitted to the Shareholders' General Meeting for approval on 8 May 2024.

The activities of VINCI Energies Netherlands B.V., with Chamber of Commerce number 16039815 having its legal seat at Mountbattenweg 19 in Veghel, The Netherlands, and its group companies primarily consist of the delivery of multi-technical services in the area of Energy and Information Technology via the brand names: Actemium, Axians and Omexom and several local brands.

VINCI Energies Netherlands B.V. is incorporated and domiciled in The Netherlands.
The Company is a wholly owned subsidiary of VINCI Energies S.A. located in Montesson, France. Ultimate parent company is VINCI S.A. ('VINCI'), Nanterre, France. The financial statements of the Company are included in the consolidated financial statements of VINCI S.A., which are publicly available on the website of VINCI (www.vinci.com). Other subsidiaries of VINCI S.A. are referred to as affiliated companies. Information on the Group's structure is provided in note 8.

8.2 General accounting policies and use estimates

1. Basis of preparation

The consolidated financial statements of VINCI Energies Netherlands B.V. and its subsidiaries for the period ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and endorsed by the EU.

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments. Income and expenses are accounted for on accrual basis. Profit is only included when realised on the reporting date. Losses are recognised as soon as they become apparent.

The consolidated financial statements are presented in thousands of euros and all values are rounded to the nearest thousand (€ 000).

2. Basis of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

The financial information of VINCI Energies Netherlands B.V. is included in its consolidated financial statements, therefore the company profit and loss account mention the results from participating interests after tax thereof as a separate item.

Joint arrangements
The Company has applied IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. Joint operations arise where the Company has rights to the assets and obligations for the liabilities of an arrangement. Where the Company is a direct investor in a joint operation, the Company accounts for its share of the assets, liabilities, revenue and expenses. If a joint operation is held through a subsidiary, such assets, liabilities, revenue and expenses are subsumed in the subsidiary's net asset value. Joint ventures arise where the investors have rights to the net assets of the arrangement; joint ventures are accounted for under the equity method. The Group has Joint Ventures with limited activities in which a 50% shareholding is held. If there is a result in these Joint Ventures, the 50% share will be reported in the company that is involved in this Joint Venture.

Investments with significant influence (associates) and joint ventures
Investments in which the Company has significant influence on the financial and operational policies (generally accompanying a shareholding of more than 20% of the voting rights) but not control (associates), and investments in joint ventures, are accounted for using the equity method. Under the equity method, investments in associates and joint ventures are initially recognised at cost and the carrying amount is increased or decreased to recognise the Company's share of profit or loss and movements in other comprehensive income of the associate or joint venture after the date of acquisition. The Company's investments in associates include goodwill identified on acquisition.

The Company determines at each reporting date whether there is any objective evidence that investments in the associates are impaired. If this is the case, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/ (loss) of associates in the income statement. As goodwill is included in the carrying amount of the investments in associates, it is not separately tested for impairment.

3. Summary of material accounting policies

The following are the significant accounting policies applied by the Group in preparing its consolidated financial statements:

Business combinations and goodwill

In the event of an acquisition, the Group assesses whether the acquired set of activities, assets and liabilities constitute a business combination under the scope of IFRS 3.
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. Direct costs of acquisition are recognised immediately as an expense. Goodwill in consolidated subsidiaries is recognised under goodwill in consolidated assets. Negative goodwill is recognised directly in profit or loss in the year of acquisition.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:
- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:
- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Fair value measurement
Fair value is the price that would be received from selling on asset or paid to transfer a liability in a normal transaction. It is recognised on the basis of the asset or liability's main market (or the most advantageous market if there is no main market), i.e., the one that offers the highest volume and activity levels.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in the following note:
- Financial instruments (including those carried at amortised cost) – note 18.

Revenue from contracts with clients

Revenue from contracts with clients is recognised when control of the goods or services are transferred to the client at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Based on control transferring over time, revenue is recognised on the extent of progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgement and is based on the nature of the products and services to be provided. The input method is used to measure the progress of the contracts because this best depicts the transfer of control to the client. The extent of progress towards completion is measured using the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionately as costs are incurred.

Transaction price

In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the time value of money, the existence of significant financing components, non-cash consideration, and consideration payable to the client (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the client. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.
When the consideration is to be transferred over multiple accounting periods, the Group considers the time value of money of the consideration. A future expected cash flow model is calculated in which the timing of the expected cash flows is projected and after which the current value of these cash flows is determined by discounting based on the related interest rate.

(i) Right to return

The Group uses the expected value method to estimate the variable consideration for right to returns, given the large number of contracts that have similar characteristics. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue. A refund liability is recognised for the goods that are expected to be returned (i.e., the amount not included in the transaction price). A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from the client.

(ii) Penalty payments

Some contracts regarding to installation projects, provide clients with the right of receiving penalty payments if the Group does not meet their obligations (e.g., if installation is not finished before an agreed date). The Group uses the most likely amount to estimate the variable consideration given the limited number of outcomes and limited number of penalties which are expected to be due. The Group then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price and recognised as revenue.

(iii) Significant financing components

There is no significant financing component included in any of the Group’s contracts.

(iv) Non-cash consideration

If applicable, the fair value of non-cash considerations received from the client is included in the transaction price and measured when the Group obtains control of the equipment. The Group estimates the fair value of the non-cash consideration by reference to its market price. If the fair value cannot be reasonably estimated, the non-cash consideration is measured indirectly by reference to the stand-alone selling price of the received item.

(v) Significant payment terms

In general, the payment terms are about 30 days.

Services

The Group provides implementation and installation services of hardware and infrastructure, security inspections and maintenance and support services. The services could either be sold separately or bundled together with the sale of hardware or infrastructure to a client.

The Group considers whether there are promises in the contract that are separate performance obligations. When contracts comprise of more than one performance obligation, because the promises are capable of being distinct and separately identifiable, the revenue recognition of these performance obligations is done separately. Accordingly, the Group allocates the transaction price based on the relative stand-alone selling prices of the goods and services. The standalone selling price could significantly affect the consideration allocated to the different performance obligations. The Group applied judgement in determining the market value to be used as the standalone selling price. The market value is determined based on what a client is willing to pay for the item in an active market.

The Group recognises revenue from services over time, using an input method to measure progress towards complete satisfaction of the service.

Transferring goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the client, generally on delivery of the products. The Group considers the applicable contract terms and conditions to assess when control of the asset is transferred to the client. The normal credit term is 30 to 90 days upon delivery. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties). The standalone selling price could significantly affect the consideration allocated to the different performance obligations. The Group applied judgement in determining the market value to be used as the standalone selling price. The market value is determined based on what a client is willing to pay for the item in an active market.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the client. If the Group performs by transferring goods or services to a client before the client pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial instruments.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a client for which the Group has received consideration (or an amount of consideration is due) from the client. If a client pays consideration before the Group transfers goods or services to the client, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Cost to obtain or fulfil a contract

The Group opted to apply the practical expedient offered by IFRS 15 for incremental costs by recognising the incremental cost as an expense should the amortisation period of the asset be one year or less. For the Group's revenue contracts, no or only minor cost to obtain or fulfil a contract are applicable. As such, none of such costs are capitalized by the Group in the balance sheet per reporting date.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Income tax is computed in accordance with the tax legislation in force in the country where the income is taxable. For the Group this concerns the Netherlands and Belgium.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

It is calculated using the latest tax rates enacted or substantively enacted at the accounts closing date. The effects of a change in the tax rate from one period to another are recognised in the income statement in the period in which the change occurs, except where they relate to transactions recognised under other comprehensive income or directly in equity. Deferred tax relating to share-based payments (IFRS 2) is taken to income to the extent that the deductible amount does not exceed the fair value of plans established according to IFRS 2.

Whenever subsidiaries have distributable reserves, a deferred tax liability is recognised in respect of the probable distributions that will be made in the foreseeable future. Moreover, shareholdings in associates and certain joint ventures give rise to recognition of a deferred tax liability in respect of all the differences between the carrying amount and the tax base of the shares. Net deferred tax is determined on the basis of the tax position of each entity or group of entities included in the tax group under consideration and is shown under assets or liabilities for its net amount per tax jurisdiction. Deferred tax is reviewed at each reporting date to take account in particular of the impact of changes in tax law and the prospect of recovery. Deferred tax assets are only recognised if their recovery is probable. Deferred tax assets and liabilities are not discounted.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Foreign currencies

The Group's consolidated financial statements are presented in euros, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling (spot rates) when the transactions occur. Translation gains and losses are taken to the profit and loss account as expenditure.

Foreign currency monetary assets and liabilities are translated at the exchange rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and l iabilities are recognised immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

On consolidation, the results of foreign operations are translated into Euro at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the exchange rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of foreign operations at actual rate are recognised in other comprehensive income.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated profit and loss account as part of the profit or loss on disposal.

Property, plant and equipment

Items of property, plant and equipment are recorded at their acquisition cost, net of investment grants received, less cumulative depreciation and any impairment losses. They are not revalued as they are carried at the cost model. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the period of use of the asset. Land is not depreciated. The main periods of use of the various categories of items of property, plant and equipment are as follows:

	Depreciation / year
Buildings	4% - 5%
Other operating assets	20%

Depreciation commences as from the date when the asset is ready to enter service. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognised.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases (less than 12 months) and leases of low-value assets (less than Euro 5,000). The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.
Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Buildings 5 to 15 years;
- Motor vehicles 2 to 5 years.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments of the current lease obligation only includes fixed payments. The lease contracts typically contain lease and non-lease components. Examples of non-lease components include security, cleaning, maintenance, advertising, insurance, utilities and fuel for cars. These non-lease components are excluded for the present value calculation of the lease liabilities.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies to the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the

change in useful life from indefinite to finite is made on a prospective basis.
The main percentage of amortisation of the intangible assets is as follows:

	Amortisation / year
Software	20%
Goodwill	n/a
Client relations	6 - 20%
Order backlog	33%

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Impairment of property, plant and equipment, goodwill and intangible assets

Impairment tests are performed on property, plant and equipment and intangible assets where evidence of an impairment loss arises. In accordance with IAS 36, the criteria adopted to assess indications that an impairment loss has arisen are either external (e.g. a material change in market conditions) or internal (e.g. a material reduction in revenue), without distinction.

If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An assets recoverable amount is the higher of an assets or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of 5 years. A long-term growth rate of 0.5% is applied to project future cash flows.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the assets or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

CGUs are identified in line with operational reporting. Their recoverable amounts are based on a value in use calculation. Values in use are determined by discounting the forecast operating cash flow before tax (operating income plus depreciation and amortisation plus/minus the change in non-current provisions minus operating investments plus/minus the change in operating working capital requirement) at the rates which represent the current market assessment of the risks. Projected cash flow is generally established for a five-year period on the basis of management forecasts. At the end of that period, a terminal value is determined by capitalising the final year's projected cash flow to infinity, and that value is discounted to present value.

Financial instruments – initial recognition and subsequent measurement

Initial recognition and measurement
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group does not have any equity instruments. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined in accordance with IFRS 15. The Group applies trade date accounting.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in two categories:
- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through profit or loss (derivative financial instruments).

Financial assets at amortised cost (debt instruments)
The Group measures financial assets at amortised cost if both of the following conditions are met:
- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment testing. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables, cash and cash equivalents, and other receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Derivatives are classified as held for trading.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the profit and loss account.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. The Group keeps track of the credit risk relating to the cash and cash equivalents in order to identify significant deterioration.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors and the economic environment. (GDP, consumer index, consumption and number of bankruptcies).

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For other receivables and affiliated companies, the Group assessed there is no expected credit losses based on historical observed loss rates (almost zero) and forward-looking estimates (the financial forecasts of the VINCI S.A. group). As such, only an impairment for non-collectability will be recognised if there are indicators for impairments which give rise to recognise an impairment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Loans and borrowings at amortised cost;
- Financial liabilities at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest amortisation process.

The effective interest is determined after taking account of redemption premiums and issuance expenses. Under this method, the interest expense is measured actuarially and reported under the cost of gross financial debt.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative financial instruments

The Group uses derivative financial instruments to hedge its exposure to foreign currency exchange rates. The derivatives concern foreign exchange forward contract and are not designated as hedging instruments. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are classified as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Inventories

Inventories of raw materials and consumables are valued against the first-in-first-out acquisition price or lower net realisable value. This lower net realisable value is determined by individual assessment of the inventories.
Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated sales price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of inventories sold is recognised as an expense in the period in which the related revenue is recognised.

Cash

Cash and cash equivalents comprise current accounts at banks and short-term liquid investments subject to negligible risks of fluctuations of value. Bank overdrafts are not included in cash and are reported under current financial liabilities. Changes in the fair value of these instruments are recognised directly in profit or loss.

Provisions

General:

Provisions are recognised in respect of legally enforceable or constructive liabilities which exist on the balance sheet date, where it is probable that an outflow of resources will be necessary and the extent of which can be reliably estimated. The provisions are determined on the basis of the best estimate of the amounts which are necessary in order to settle the liabilities on the balance sheet date, concerning the nominal value.

Restructuring:

This provision relates to costs in connection with the restructuring of operations and is formed if effectively or legally a commitment for the Group has arisen.

Jubilee:

This provision relates to employees who will receive a jubilee benefit after 12.5, 25 and 40 years of working for the Company (including Group's subsidiaries).

Provisions for retirement benefit obligations

Accounting policies

Provisions are taken on the liabilities side of the consolidated balance sheet for obligations connected with defined benefit retirement plans for both current and former employees (people who have retired and those with deferred rights). These provisions are determined using the projected unit credit method on the basis of actuarial valuations made at each annual balance sheet date. The actuarial assumptions used to determine the obligations are based on the economic conditions of the Netherlands. Each plan's obligations are recognised separately.

Under IAS 19, for defined benefit plans financed under external management arrangements (i.e. pension funds or insurance policies), the surplus or shortfall of the fair value of the assets compared with the present value of the obligations is recognised as an asset or liability in the consolidated balance sheet. That recognition is subject to asset ceiling rules and minimum funding requirements set out in IFRIC 14. The expense recognised under operating income or loss in each period comprises the current service cost and the effects of any change, reduction or winding up of the plan. The accretion impact recognised on actuarial liabilities and interest income on plan assets are recognised under other financial income and expenses. Interest income from plan assets is calculated using the discount rate used to calculate obligations with respect to defined benefit plans. The impacts of remeasuring net liabilities relating to defined benefit pension plans are recorded under other comprehensive income.

They comprise:

1. actuarial gains and losses on obligations resulting from changes in actuarial assumptions and from experience adjustments (the effects of differences between the actuarial assumptions adopted and that which has actually occurred);
2. plan asset outperformance/underperformance (i.e. the difference between the effective return on plan assets and the return calculated using the discount rate applied to the actuarial liability); and
3. changes in the asset ceiling effect.

The defined benefit pension plan is frozen since 2014. Per January 2020 a new defined contribution pension plan has been contracted with Delta Lloyd. Therefore, inflation rate, rate of salary increases, and rate of pension increase is not applied.
The main retirement benefit obligations covered by provisions recognised in the balance sheet are calculated using the following assumptions:

	31/12/2023	31/12/2022
Assumptions		
Discount rate	4.15%	3.75%
Inflation rate	Not applicable	Not applicable
Rate of salary increases	Not applicable	Not applicable
Rate of pension increases	Not applicable	Not applicable

Discount rates have been determined by geographical area on the basis of the yields on private-sector bonds with a rating of AA and whose maturities correspond to the plans' expected cash flow. The increase in discount rates is due to the expected higher future interest rates. Sensitivity of the retirement benefit obligation as a result in changes to the underlying assumptions as mentioned above result in immaterial changes to the obligation (when adjusted for 1%).

Plan assets are valued at their fair value at 31 December 2023. The book value at 31 December 2023 is used for assets invested with insurance companies.

On the basis of the actuarial assumptions referred to above, details of the retirement benefit obligations, provisions recognised in the balance sheet, and the retirement benefit expenses recognised in 2023 are provided below.

(in € thousands)	31/12/2023	31/12/2022
Actuarial liability from retirement benefit obligations	**16,104**	**18,642**
Plan assets at fair value	**15,168**	**17,656**
Deficit (or surplus)	**936**	**986**
Provision recognised under liabilities on the balance sheet	**936**	**986**

Change in actuarial liability and plan assets

(in € thousands)	2023	2022
At beginning of period	**18,642**	**28,756**
Interest cost on the DBO	**600**	**300**
Net actuarial (gain) / loss – financial assumptions	(2,773)	(10,663)
Net actuarial (gain) / loss – experience	13	610
Disbursements from plan assets	(378)	(361)
At end of period	**16,104**	**18,642**

(in € thousands)		2023	2022
Plan assets			
At beginning of period		**17,656**	**27,502**
Interest Income on plan assets		572	288
Return on plan assets greater / (less) than discount rate		(2,682)	(9,773)
Disbursements		(378)	(361)
At end of period	**II**	**15,168**	**17,656**
Deficit (or surplus)	**I-II**	**936**	**986**

Change in provisions for retirement benefit obligations during the period

(in € thousands)	2023	2022
At beginning of period	**986**	**1,254**
Cost recognised in P&L (excl. reimbursement rights)	(50)	(268)
At end of period	**936**	**986**

Breakdown of expenses recognised in respect of defined benefit plans

(in € thousands)	2023	2022
Interest cost on DBO	600	300
Interest income on assets	(572)	(288)
Net interest cost net defined benefit liability	**28**	**12**
Cost recognised in P&L	**28**	**12**

The current pension plans of the Group are Defined Contribution Plans.
The basic pension for every employee is covered by multi-employer plans in which also other companies participate based on legalobligations. These plans have an indexed average salary scheme and are therefore in the basis defined benefit schemes. However, as these mutual industry pension funds are not equipped to provide the required information on the Group's proportionate share of pension liabilities and plan assets, the defined benefit plans are accounted for as defined contribution plans. The Group is obliged to pay the predetermined premium for these plans. The Group may not reclaim any excess payment and is not obliged to make up any deficit, except by way of the adjustment of future premiums. The part of the employee pension plan exceeding the basic pension amount (top-up part), which is not covered by multi-employer funds, is carried out by other external parties (insurance companies) and is accounted for as defined contribution schemes.
Commitments relating to lump-sum payments on retirement which are met by contributions to the outside multi-employer insurance funds (PMT and PME) are recognised as an expense as and when contributions are payable. The amounts taken as an expense in the period in respect of defined contribution plans totalled € 18,383,342 in 2023 (€ 17,363,676 in 2022).
At year-end 2023, the (twelve-month average) coverage rate of the industry pension fund for Kleinmetaal (PMT) is 105.5 per cent (2022: 106.8 per cent). The industry pension fund for Grootmetaal (PME) has a coverage rate of 109.4 per cent at year-end 2023 (2022: 110.4 per cent).

Provision for other employee benefits

Provisions for other employee benefits mainly include long-service bonuses and jubilee bonuses. The Group provides service anniversary bonuses to its employees if they meet the pre-determined service conditions. The service anniversary bonuses classify as a long-term employee benefit. The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. The expenses of the net present obligation will be recognised over the vesting period of the service condition. Remeasurements are recognised in profit or loss in the period in which they arise.

Long-service bonuses and jubilee bonuses have been calculated using the following assumptions:

Assumption	31/12/2023	31/12/2022
Discount rate	4.15%	3.75%
Rate of salary increases	3.50%	3.50%

Share-based payments

Employees of the Group receive remuneration in the form of share-based payments. The Group currently has two share-based payment plans, named the Castor International Plan and the Long-Term Incentive Plan, together referred to as the "Plans". Under both Plans the employees receive shares in VINCI S.A. and not in VINCI Energies Netherlands B.V. Both Plans classify as equity-settled plans.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in note 32. That cost is recognised in employee benefits expense, together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The Group is liable to reimburse VINCI S.A. for the shares in the share-based payment transaction through a recharge arrangement. The recharge liability and corresponding deduction in equity will be recognised by the Group at the invoice date at the invoice value thereof.

4. Significant accounting judgements, estimates, assumptions and errors

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Other disclosures relating to the Group's exposure to risks and uncertainties includes:
- Financial instruments risk management and policies note 3;
- Sensitivity analyses disclosures note 18.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimates and assumptions

The preparation of financial statements requires estimates to be used and assumptions to be made that affect the amounts presented in those financial statements. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The Company's significant estimates are the impairment of non-financial assets, accounting for provisions and measurement of revenue recognition.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset.
The assumptions and estimates made to determine the recoverable amount of goodwill, intangible assets and property, plant and equipment relate in particular to the assessment of market prospects needed to estimate the cash flow, and the discount rates adopted. Any change in these assumptions could have a material effect on the recoverable amount. The main assumptions used by the Company are described in note 15 Goodwill.

Provisions

The provisions are determined on the basis of the best estimate of the amounts which are necessary in order to settle the liabilities on the reporting date.

Measuring the progress for performance obligations satisfied over time

In note 3: Revenue from contracts with clients it is explained that revenue is recognised based on the transfer of control over time, using the input method of the progress towards completion measurement. The extent of progress towards completion is measured using the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recorded proportionately as costs are incurred.

Correction of material error in cost allocation

In the calculation of the cost of sales allocation an error was discovered in the method used. The error resulted in a material understatement of the cost of sales for the 2022 and prior financial years and a corresponding overstatement in the other operating expenses. The error has been corrected by restating each of the affected financial statement line items as disclosed in note 10.

Correction of cash flow statement

In the cash flow statement we have re-allocated the dividends paid to the company's shareholders from 'Net cash (used in)/from investing activities' to 'Net cash (used in)/from financing activities.

5. Standards adopted in the accounting period

The following amendments to existing accounting pronouncements became effective as of 1 January 2023 and have been adopted by the Group.

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12

These amendments introduce clarification on the application of the initial recognition exemption in IAS 12. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. The amendments did not have a material impact on the consolidated financial statements of the Group.

International Tax Reform Pillar Two Model Rules – Amendments to IAS 12

The Group has adopted International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12 from 1 January 2023.
The amendments give companies temporary relief from accounting for deferred taxes arising from Organization for Economic Co-operation and Developments (OECD) international tax reform.
The amendments also introduce targeted disclosures for affected companies. As at 31 December 2023, the Group does not fall in scope of the Pillar Two Model Rules and as such there is no impact.

Definition of Accounting Estimates – Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments did not have a material impact on the Group's consolidated financial statements.

Materiality of Accounting Policy Disclosure – Amendments to IAS 1

The amendments replace the requirement for entities to disclose their significant accounting policies with the requirement to disclose their material accounting policy information. The amendments also include guidance to help entities apply the definition of material in making decisions about accounting policy disclosures. The amendments did not have a material impact on the Group's consolidated financial statements.

Insurance Contracts – IFRS 17

IFRS 17 replaces IFRS 4 Insurance Contracts and provides a new general model for accounting for contracts where the issuer accepts significant insurance risk from another party and agrees to compensate that party if a future uncertain event adversely affects them. The adoption of the new standard did not have a material impact on the Group's consolidated financial statements.

6. Standards issued but not yet effective

The Group has not early adopted any of the following standards, interpretations or amendments that have been issued but are not yet effective. The Group intends to adopt these standards, if applicable, when they become effective.

Classification of Liabilities as Current or Non-current – Amendments to IAS 1

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the require-ments for
classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group expects the amendments will have no significant impact on its consolidated financial statements.

Other new standards or amendments

The following new and amended standards are not considered to be as relevant to the Group and as a result are not expected to have a significant impact on the Group's consolidated financial statements:
- Non-current Liabilities with Covenants (Amendments to IAS 1), effective 1 January 2024;
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16), effective 1 January 2024;
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7), effective 1 January 2024;
- Lack of Exchangeability (Amendments to IAS 21) , effective 1 January 2025.

7. Capital management

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 27, cash and equity, comprising issued capital, share premium and all other reserves and retained earnings. Management reviews the capital structure on a regular basis.

Management is committed to maintaining a healthy balance sheet, while executing the Group's growth strategy. Through the acquisition process, management carefully evaluates the acquisition price and financing options available for every asset acquired.

8. Group information

The Company is a wholly owned subsidiary of VINCI Energies S.A. located in Montesson, France. The financial statements of the Company are included in the consolidated financial statements of the ultimate parent company VINCI S.A. The consolidated financial statements are available at www.vinci.com. Other subsidiaries of VINCI S.A. are referred to as affiliated companies.

The Company is the head of a group of legal entities. The consolidated financial statements of the Group include:

Name	Registered office	Share in issued share capital
A&I Kwant Civiel B.V.	Veendam	100%
Amecha B.V.	Helmond	100%
Axians Business Solutions B.V.	Zaltbommel	100%
Axians Communication Solutions B.V.	Capelle aan den IJssel	100%
Axians ICT B.V.	's-Gravenhage	100%
Aqualectra B.V.	Heerhugowaard	100%
Axians Performance Solutions B.V.	Zaltbommel	100%
Axians Telematics B.V.	Capelle aan den IJssel	100%
Cegelec Infra B.V.	Dordrecht	100%
Cegelec Industry B.V.	Amersfoort	100%
Cegelec Fire Solutions B.V.	Dordrecht	100%
De Bosman Bedrijven B.V.	Amersfoort	100%
De Jong Engineering B.V.	Hedel	100%
Energy & Infra Engineering B.V.	Dordrecht	100%
Faceo Nederland B.V.	's-Gravenhage	100%
Faceo Security & Prevention B.V.	Nieuwegein	100%
Industrial Solutions Zuid-Oost B.V.	Veghel	100%
Kadenza B.V.	Laren	100%
Kenmerc Business Solutions B.V.	Hoorn	100%
Koning & Hartman B.V.	Delft	100%
Methec B.V.	Dieren	100%
Netlink B.V.	Utrecht	100%
Plant Solutions Noord-Oost B.V.	Veendam	100%
Plant Solutions Zuid-Oost B.V.	Veghel	100%

Name	Registered office	Share in issued share capital
Plusine Systems B.V.	Beverwijk	100%
Schilt Airconditioning B.V.	Meerkerk	100%
Schilt Luchtkanalen B.V.	Meerkerk	100%
Schilt Luchttechniek B.V.	Meerkerk	100%
Starren B.V.	Veghel	100%
Van der Linden Groep B.V.	Veghel	100%
VCD Business Intelligence B.V.	Groningen	100%
VCD Business Solutions B.V.	Groningen	100%
VCD Healthcare B.V.	Groningen	100%
VCD Infra Solutions B.V.	Groningen	100%
Verautomation B.V.	Middelbeers	100%
Verautomation Montage B.V.	Middelbeers	100%
Verkerk Groep B.V.	Zwijndrecht	100%

The Group's consolidation scope does not include any subsidiaries in which there are non-controlling interests, or any individually material joint ventures or associates. That assessment is based on the impact of those interests on the Group's financial performance, consolidated balance sheet and cash flow. All transactions with affiliated companies are conducted at arm's length.

The Group has the following joint ventures in which a 50% shareholding is held:
- Bosman-Yver V.O.F.; €236 result in 2023 (2022: € 210);
- Spie-Cegelec Maintenance V.O.F.; € 413,819 result in 2023 (2022: € 343,045);
- HOMIJ Bosman Combinatie B.V.; € 0 result and no activities in 2023 (2022: € 0);
- Bosman BAM Combinatie (BBC) V.O.F.; € 25,000 result in 2023.

9. Business combinations

Acquisition Kennys B.V. and Mercash B.V.

100% of the shares of Kennys B.V. and Merchash B.V. were acquired on April 28, 2023, with the Group's own financial resources for an amount of €4,983,010. Kennys B.V. founded in 1997 and Mercash B.V. founded in 1987 are vested in Waddinxveen and Hoorn with a total annual revenue of €4.0 million and employs 38 people. With this acquisition, VINCI Energies strengthens the Microsoft portfolio of Business Applications in the Axians brand in the Netherlands.
After the acquisition the companies were merged on August 4, 2023, with Kennys B.V. as acquiring party and the company was renamed to Kenmerc Business Solutions B.V.

Acquisition Opal Associates B.V.

100% of the shares of Opal Associates B.V. were acquired on July 20, 2023, with the Group's own financial resources for an amount of € 2,114,299. The company, located in Nijmegen, has its origin in 2005 and realises an annual revenue of € 5.6 million with 18 employees. With the acquisition of OPAL in Nijmegen, VINCI Energies strengthens its industrial portfolio with innovative logistics solutions. OPAL's expertise complements the existing portfolio of the Actemium business units in Zevenaar and Veghel that focus on logistics solutions in industry. OPAL now provides its services under the brand name Actemium.
After the acquisition the company was merged on July 20, 2023, with Methec B.V. as acquiring party.

Divestment Bostec B.V.

100% of the shares of Bostec B.V. have sold on February 10, 2023 to Arlande Beheer B.V. with a book result close to zero.

8.3 Income statement items

10. Gross profit

Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with clients for 2023:

(in € thousands)	2023	2022
Segment		
Industry	273,593	265,516
ICT	335,063	287,782
Infrastructure	64,086	36,907
Building Solutions	163,000	135,675
Total revenue from contracts with clients	**835,742**	**725,880**
Geographical region		
The Netherlands	823,952	710,809
Belgium	7,912	10,952
Germany	1,420	1,225
Other countries	2,458	2,864
Total revenue from contracts with clients	**835,742**	**725,880**
Timing of revenue recognition		
Goods transferred at a point in time	105,405	79,606
Goods and services transferred over time	730,337	646,274
Total revenue from contracts with clients	**835,742**	**725,880**

Contract balances

(in € thousands)	2023	2022
Trade and other receivables	128,215	129,711
Contract assets	51,550	71,521
Contract liabilities	(126,182)	(116,491)
Total	**53,583**	**84,741**

Trade receivables are non-interest bearing and are generally on terms of 30 days.
Contract assets are initially recognised for revenue earned, but not yet invoiced for work performed. Upon completion of the project phase and acceptance by the client, the amounts recognised as contract assets are reclassified to trade receivables.

Contract liabilities include deferred revenue. All contract liabilities from previous year were transferred to revenue in the current year.

Performance obligations

Information about the Group's performance obligations are summarised below:

Implementation, installation and inspection services

The performance obligation is satisfied over-time and payment is generally due within 30 days upon completion of (a phase of the) installation and implementation and acceptance by the client.

Maintenance and support

The performance obligation is satisfied over-time and payment is generally due within 30 days upon the services are rendered for the agreed period.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are, as follows:

(in € thousands)	2023	2022
Within one year	201,474	197,323
Total	**201,474**	**197,323**

Cost of sales

The costs directly allocated to sales are as follows:

Cost of sales

(in € thousands)	2023	2022
Raw materials and consumables	255,130	235,913
Subcontracting	114,788	89,074
Salaries, wages and benefits	168,630	149,654
External employees	40,252	29,352
Retirement benefit expenses	14,172	13,386
Other social security contributions	27,341	22,747
Depreciation of intangible and tangible fixed assets	20,789	18,830
Total	**641,102**	**558,956**

Correction of material error in cost allocation

In the calculation of the cost of sales allocation an error was discovered in the method used. The error resulted in a material understatement of the cost of sales for the 2022 and prior financial years and a corresponding overstatement in the other operating expenses. The error has been corrected by restating each of the affected financial statement line items for the prior periods as follows:

(in € thousands)	2022	Increase (Decrease)	2022 (Restated)
Total revenue from contracts with customers	725,880	0	725,880
Cost of sales	(487,734)	(71,222)	(558,956)
Gross profit	**238,146**	**(71,222)**	**166,924**
Distribution costs	(117,250)	52,392	(64,858)
Administrative expenses	(24,763)	18,830	(5,933)
Other operating expenses	(59,638)	0	(59,638)
Operating profit	**36,495**	**0**	**36,495**

The correction further affected some of the amounts disclosed in note 11.

11. Other operating income/expenses

All employee costs not included in cost of sales are included in distribution costs.

Distribution costs

(in € thousands)	2023	2022
Salaries, wages and benefits	50,107	44,469
External employees	2,119	1,545
Share-based payments	6,280	4,030
Retirement benefit expenses	4,211	3,978
Other social security contributions	8,124	6,759
Educational expenses	2,884	2,727
Other employee expenses	897	1,350
Total distribution costs	**74,622**	**64,858**

Average number of employee

	2023	2022
ICT	1,261	1,236
Industry	1,304	1,180
Building Solutions	612	482
Infrastructure	256	194
Holding	20	21
Total number of employees	**3,453**	**3,113**

The above employees are either mapped to cost of sales or distribution expenses.
During 2023, 3,453 employees were employed on a full-time basis (2022: 3,113). Of these employees, 7.7 were employed on a full-time basis outside the Netherlands (2022: 4.0).

Administrative expenses

(in € thousands)	2023	2022
Depreciation of intangible and tangible fixed assets	5,197	4,708
Taxes and levies	2,071	1,930
Other administrative expenses	2,078	(705)
Total administrative expenses	**9,346**	**5,933**

Other operating expenses

(in € thousands)	2023	2022
Maintenance and service buildings	208	45
Maintenance and service vehicles	2,706	4,655
Rent of equipment	1,592	1,582
Other outside services and operating expenses	57,800	53,356
Other operating expenses	**62,306**	**59,638**

12. Financial income/cost

Finance cost

(in € thousands)	2023	2022
Borrowing costs VINCI Energies International Belgium BVBA	1,669	
Other financial costs	930	359
Foreign exchange losses	1,062	
Total finance costs	**3,661**	**359**

Finance income

(in € thousands)	2023	2022
Foreign exchange gains		1,252
Other financial income	36	3
Total finance income	**36**	**1,255**

13. Income tax expense

The major components of income tax expense for the years ended 31 December 2023 and 2022 are:

(in € thousands)		2023	2022
Comprehensive income of the year		31,869	28,653
Other comprehensive income			
Profit of the year	**I**	**31,869**	**28,653**
Current income tax:			
– Current income tax charge		13,666	10,987
– Adjustments in respect of current income tax of previous year		241	3
Deferred tax:			
– Relating to origination and reversal of temporary differences		(531)	(1,909)
Income tax expense reported in the statement of profit or loss	**II**	**13,376**	**9,081**
Accounting profit before income tax	**I + II**	**45,245**	**37,734**

Reconciliation of tax expense and the accounting profit multiplied by the Companies' domestic tax rate for 2023 and 2022:

(in € thousands)	2023	2022
Accounting profit before income tax	**45,245**	**37,734**
Tax at Dutch statutory tax rate of 25.8%, 15% first bracket € 395 (2022: 25.8%, 15% first bracket € 395k)	11,660	9,693
Adjustments in respect of current income tax of previous years	241	3
Non-deductible PPA adjustments	749	694
Related party exemptions	94	(66)
Non-deductible expenses for tax purposes		
– Share based payments	1,480	1,040
– Cost of representation and gifts	234	207
– Acquisition costs	107	125
Utilisation of previously unrecognised tax losse	(292)	(220)
Movement in deferred tax	(531)	(1,909)
Others	(366)	(706)
At the effective income tax rate of 29,56% (2022: 24.07%) as per statement of profit or loss	**13,376**	**9,081**

8.4 Balance sheet items

14. Intangible fixed assets

Gross

(in € thousands)	Software	Other intangible assets*	Total
As at 1 January 2022	**963**	**33,378**	**34,341**
Additions – internal development	187	4,635	4,822
Disposal during period	(341)	(3,228)	(3,569)
At 31 December 2022	**809**	**34,785**	**35,594**
At 1 January 2023	**809**	**34,785**	**35,594**
Additions – internal development	189		189
Disposal during period	(149)		(149)
At 31 December 2023	**849**	**34,785**	**35,634**

Accumulated amortisation and impairment

(in € thousands)	Software	Other intangible assets*	Total
As at 1 January 2022	**(810)**	**(10,692)**	**(11,502)**
Amortisation	(236)	(3,062)	(3,298)
Disposal during period	341	3,228	3,569
At 31 December 2022	**(705)**	**(10,526)**	**(11,231)**
At 1 January 2023	**(705)**	**(10,526)**	**(11,231)**
Amortisation	(187)	(3,284)	(3,471)
Disposal during period	149		149
At 31 December 2023	**(743)**	**(13,810)**	**(14,553)**

Net book value

(in € thousands)	Software	Other intangible assets*	Total
As at 1 January 2022	**153**	**22,686**	**22,839**
As at 31 December 2022	**104**	**24,259**	**24,363**
As at 31 December 2023	**106**	**20,975**	**21,081**

**Client relations, order backlog, trade name*

15. Goodwill

Gross

(in € thousands)	Goodwill	Total
As at 1 January 2022	**177,041**	**177,041**
Acquisition of a subsidiary	22,051	22,051
Disposal during period		
At 31 December 2022	**199,092**	**199,092**
At 1 January 2023	**199,092**	**199,092**
Acquisition of a subsidiary	5,858	5,858
At 31 December 2023	**204,950**	**204,950**

Impairment

(in € thousands)	Goodwill	Total
As at 1 January 2022	**(78,837)**	**(78,837)**
Impairment		
Disposal during period		
At 31 December 2022	**(78,837)**	**(78,837)**
At 1 January 2023	**(78,837)**	**(78,837)**
Impairment		
Disposal during period		
At 31 December 2023	**(78,837)**	**(78,837)**

Net book Value

(in € thousands)	Goodwill	Total
As at 1 January 2022	**98,204**	**98,204**
As at 31 December 2022	**120,255**	**120,255**
As at 31 December 2023	**126,113**	**126,113**

Acquisitions that took place before January 1, 2018 are grouped by market segment. As these acquisitions have become so intertwined in the past, it has been decided to group the Cash Generating Unit (CGU) by market segment. Companies acquired after January 1, 2018 are merged with an existing CGU, unless there is reason to consider this as a separate CGU.

When a CGU is subject to impairment analysis, the discount rate is determined on the basis of the WACC (Weighted Average Cost of Capital) based on a peer group analysis. To assess the reasonableness of the discount rates a comparison of the calculated IRR (Internal Rate of Return) with the WARA (Weighted Average Return on Assets) has been conducted. Impairment calculation is based on the budget of the next financial year, the forecast of the three years after the next financial year and an infinite growth of 0.5%. Per CGU, the necessity for impairment is determined on the comparison between the discounted cashflow value and the company net value, taking into account a sensitivity of -5% and + 5% on the company net value. No impairment is needed for 2023.

CGU *(in € thousands)*	WACC	Goodwill 2023	Headroom	Goodwill 2022	Headroom
Industry	8.06% (2022: 8.46%)	13,854	23,554	12,390	18,004
Building Solutions	7.87% (2022: 8.40%)	25,806	30,883	25,807	36,106
ICT	7.68% (2022: 8.78%)	86,453	105,374	82,058	35,076
Total goodwill		**126,113**		**120,255**	

16. Property, plant and equipment

Gross *(in € thousands)*	Land and buildings	Other assets	Total
As at 1 January 2022	**22,298**	**13,298**	**35,596**
Acquisitions as part of business combinations	3,679	1,868	5,547
Other acquisitions during period	926	3,178	4,104
Disposal during period	(263)		(263)
At 31 December 2022	**26,640**	**18,344**	**44,984**
Acquisitions as part of business combinations		127	127
Other acquisitions during period	1,865	5,356	7,221
Disposal during period	(463)	(1,301)	(1,764)
At 31 December 2023	**28,042**	**22,526**	**50,568**

Accumulated Depreciation and impairment losses *(in € thousands)*	Land and buildings	Other assets	Total
As at 1 January 2022	**(4,668)**	**(2,609)**	**(7,277)**
Depreciation during period	(1,358)	(1,885)	(3,243)
Disposal during the period	259		259
At 31 December 2022	**(5,767)**	**(4,494)**	**(10,261)**
Depreciation during period	(1,317)	(3,208)	(4,525)
Disposal during the period	386	810	1,196
At 31 December 2023	**(6,698)**	**(6,892)**	**(13,590)**

Net book value *(in € thousands)*	Land and buildings	Other assets	Total
As at 1 January 2022	**17,630**	**10,689**	**28,319**
As at 31 December 2022	**20,873**	**13,850**	**34,723**
As at 31 December 2023	**21,344**	**15,634**	**36,978**

17. Right-of-use assets

(in € thousands)	31 December 2023	31 December 2022
Right-of-use for building	33,473	23,131
Accumulated amortisation on building right-of-use	(20,356)	(14,041)
Right-of-use for Vehicles	39,692	33,488
Accumulated amortisation on right-of-use for Vehicles	(20,859)	(19,112)
Right-of-use for NAAS	19,384	10,957
Accumulated amortisation on NAAS right-of-use	(7,994)	(5,519)
Total Right-of-use assets	**43,340**	**28,904**

The Group has lease contracts for various buildings and vehicles used in its operations. Leases of buildings generally have lease terms between 5 and 15 years, while motor vehicles generally have lease terms between 2 and 5 years. For NAAS equipment the lease contracts contain a lease term between 2 and 7 years.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options. These extension and termination options are applicable on buildings leased and concern an extension of the same period of the initial contract (5 or 10 years) with the same lease amounts to be paid. Termination options are not that common, but when applicable individually a determined fine has to be paid. Whether these extensions or terminations will be effectuated is dependent on management team decisions.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

(in € thousands)	Buildings	Vehicles	NAAS Equipment	Total
As at January 1, 2022	**9,585**	**15,545**	**3,664**	**28,794**
Addition	6,509	5,327	5,271	17,107
Depreciation expense	(7,004)	(6,497)	(3,496)	(16,997)
As at December 31, 2022	**9,090**	**14,375**	**5,439**	**28,904**
Addition	9,423	12,968	9,835	32,226
Depreciation expense	(5,396)	(8,510)	(3,884)	(17,790)
As at December 31, 2023	**13,117**	**18,833**	**11,390**	**43,340**

18. Financial assets and financial liabilities

Financial assets

(in € thousands)	As at 31 December 2023	As at 31 December 2022
Derivatives not designated as hedging instruments:		
Forward currency contracts	428	1,234
Debt instruments at amortised cost		
Trade and other receivables	128,215	129,711
Loan to non-consolidated company	266	266
Minority interest in non-consolidated company	525	404
Total financial assets*	**129,434**	**131,615**
Total current	**128,643**	**130,945**
Total non-current	**791**	**670**

Other financial liabilities

(in € thousands)	As at 31 December 2023	As at 31 December 2022
Derivatives not designated as hedging instruments:		
Forward currency contracts		54
Other financial liabilities at amortised cost, other than interest-bearing loans and borrowings		
Trade and other payables	64,034	77,939
Total other financial liabilities	**64,034**	**77,993**
Total current	**64,034**	**77,993**

Derivatives not designated as hedging instruments reflect the change in fair value of those foreign exchange forward contracts that are not designated in hedge relationship, but are, nevertheless, intended to reduce the level of foreign currency risk for expected purchases.

The outstanding contract value of the currency forward contracts in respect of cash flow hedging for the purchase of US Dollars amounted to USD 30,781 (2022: USD 39,736) (nominal value) as at December 31, 2023. These outstanding currency forward contracts represent a net fair value of € 428, comprising a positive item of € 428 (2022: € 1,234) and a negative item of €0 (2022: € 54).

Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables and trade and other payables approximates their fair value. For long-term intragroup loans the interest percentages are within a reasonable range (EURIBOR + 1.15%), in line with the rates charged for external loans.

Risk management objectives and policies
The Group is exposed to:
a) Interest rate risk;
b) Foreign currency exchange rate risk;
c) Credit risk.

The Group's senior management oversees the management of these risks. The VINCI Energies S.A. financial risk committee provides assurance to the Group's senior management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans, borrowings, deposits, debt and equity investments and derivative financial instruments.

The following has been taken into account in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 December 2023 and 2022.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relate primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by only obtaining intragroup loans, based on Euribor and a fixed incremental percentage. The variable component is a policy that the Group in the Netherlands accepts as an interest risk.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	Effect on profit before tax
2023		
EUR	+25	360
EUR	-25	(360)
2022		
EUR	+25	142
EUR	-25	(142)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the observable market environment as per balance sheet date.

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).
Most significant risk is related to purchases made in USD currency. The Group manages its foreign currency risk by hedging USD amounts to be paid in the future. As a result, the total impact is limited.

iii) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or client contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Client credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to client credit risk management. Credit quality of a client is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding client receivables and contract assets are regularly monitored.

The Group evaluates the concentration of credit risk with respect to trade receivables and contract assets as low, as the Group has both public and private clients. The private clients are operating in several industries and in largely independent markets. The Group considers the credit risk of accounts receivables and contract assets after initial recognition as low per reporting date, based on the credit risk assessment policies before accepting new clients. Besides that, major part of the trade receivables concerns Dear Old Clients (DOC) on which the credit risk is very limited due to the long-term relationships and status of these clients.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses on trade receivables and contract assets. The provision rates are based on days past due for groupings of various client segments with similar loss patterns (i.e., by geographical region, product type, client type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix. The provision matrix is based on its historical observed loss rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed loss rates are updated and changes in the forward-looking estimates are analysed. In this case, it is forecast that economic conditions will deteriorate over the next year. In addition, the Group uses looking-forward variables in order to come to an acceptable provision for doubtful debtors. First of all, the GDP has been taken into consideration. As mentioned by CBS (source: cbs.nl) growth of the GDP will continue, although at a lower level than in prior years. Other future indicators taken into account are the consumer index, consumption level and number of bankruptcies. Taking these indicators into consideration together with the historical figures of the Group specific, does not result in changes in the level of expected credit loss compared to prior year. Also, the type of clients and Group's relationship with these clients has been taken into consideration in the provision matrix. The Group recognises three types of clients: public (governmental departments and agencies etc), dear old clients (DOC) and new clients (NC), each having their specific risk profile.

	Trade receivables						
As at 31 December 2023 *(in € thousands)*	**Gross Carrying Amount - Public**	**Gross Carrying Amount - Private (DOC)**	**Gross Carrying Amount - Private (NC)**	**Lifetime ECL Allowance - Public**	**Lifetime ECL Allowance - Private (DOC)**	**Lifetime ECL Allowance - Private (NC)**	**Total Lifetime ECL Allowance**
Current	9,695	73,256	22,584	0	0	0	0
1-30 Days Past Due	1,158	12,565	2,390	0	0	0	0
31-60 Days Past Due	472	1,832	400	2	9	80	91
61-90 Days Past Due	92	649	272	12	81	82	175
>90 Days Past Due	(61)	1,795	1,116	(31)	898	891	1,758
Total	**11,356**	**90,097**	**26,762**	**(17)**	**988**	**1,053**	**2,024**

	Trade receivables						
As at 31 December 2022 *(in € thousands)*	**Gross Carrying Amount - Public**	**Gross Carrying Amount - Private (DOC)**	**Gross Carrying Amount - Private (NC)**	**Lifetime ECL Allowance - Public**	**Lifetime ECL Allowance - Private (DOC)**	**Lifetime ECL Allowance - Private (NC)**	**Total Lifetime ECL Allowance**
Current	9,121	75,588	29,004	0	0	0	0
1-30 Days Past Due	1,381	7,302	3,358	7	3	983	993
31-60 Days Past Due	382	1,127	356	36	38	282	356
61-90 Days Past Due	13	563	356	0	0	0	0
>90 Days Past Due	214	346	600	300	107	277	684
Total	**11,111**	**84,926**	**33,674**	**343**	**148**	**1,542**	**2,033**

No expected credit losses are recognised for the contract assets per 31 December 2023 and 31 December 2022.

Liquidity risk and cash flow risk:

Periodically, liquidity forecasts are prepared. Liquidity risks are controlled through continuous monitoring. The liquidity forecasts take account of any restricted availability of cash, along with bank guarantees. For cash and cash equivalents no expected credit loss is applicable.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 December 2023 *(in € thousands)*	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Long-term Interest-bearing loans and borrowings	3,598	10,792	57,725		72,115
Trade and other payables	64,034				64,034
Leases	3,811	11,434	27,019	1,429	43,693
Other financial liabilities	44,960				44,960
Total	**116,403**	**22,226**	**84,744**	**1,429**	**224,802**

As at 31 December 2022 *(in € thousands)*	Less than 3 months	3 to 12 months	1 to 5 years	>5 years	Total
Long-term Interest-bearing loans and borrowings	3,110	9,330	53,590		66,030
Trade and other payables	77,939				77,939
Leases	3,231	9,694	17,644		30,569
Other financial liabilities	40,041				40,041
Total	**124,321**	**19,024**	**71,234**		**214,579**

Concentrations of risk

Concentrations arise when a number of counterparties are engaged in similar business activities, have activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio clients (public and private, diversified industries). Identified concentrations of credit risks are controlled and managed accordingly.

The Group's business activities are concentrated in the Netherlands, only an insignificant amount of revenue is generated from clients outside the Netherlands and only a very small portion of the Group's revenue is in a different currency than the euro.

19. Deferred tax

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where it is probable that these assets will be recovered.

Deferred tax relates to the following:

	Balance sheet		Income statement	
(in € thousands)	31 December 2023	31 December 2022	2023	2022
Difference depreciation for tax purposes	(1,684)	(336)	(235)	806
New in consolidation depreciation for tax purposes		(1,113)		
Lower tax value of the property due to write-off of reinvestment reserve	(515)	(561)	46	(415)
Losses available for offsetting against future taxable income	338	499	(161)	(103)
Client Relations & Order backlog	(4,684)	(5,377)	693	(858)
Leases	324	125	199	2,476
Pensions	235	246	(11)	(67)
Allocation adjustment pensions				69
Net deferred tax liabilities	**(5,986)**	**(6,517)**	**531**	**1,908**

(in € thousands)	31 December 2023	31 December 2022
Reflected in the balance sheet as follows:		
Deferred tax assets	12,840	9,365
Deferred tax liabilities	(18,826)	(15,882)
Deferred tax liabilities, net	**(5,986)**	**(6,517)**

The Group has tax losses of € 338,000 (2022: € 499,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose before being acquired. Deferred tax assets have been recognised in respect of these losses as they may be used to offset taxable profits elsewhere in the Group. There are sufficient tax planning opportunities or other evidence of recoverability in the near future for these to be recognised as deferred tax assets.
There are no income tax consequences related to the payment of dividends in either 2023 or 2022 by the Group to its shareholders.

Deferred tax assets

(in € thousands)	31 December 2023	31 December 2022
Losses available for offsetting against future taxable income	338	499
Leases	11,300	7,661
Pensions	1,212	1,205
Other	(10)	
Total deferred tax assets	**12,840**	**9,365**

As IFRS 16 (leases) cannot be followed for Dutch tax purposes, temporary differences arise between the IFRS carrying amount of the right-of-use assets and lease liability and the Dutch tax base of zero. Therefore, a deferred tax asset has been recognised on the deductible temporary difference on the lease liability and a deferred tax liability has been recognised on the taxable temporary difference on the right-of-use assets.

Deferred tax liabilities

(in € thousands)	31 December 2023	31 December 2022
Lower tax value of the property due to write-off of reinvestment reserve	515	561
Accelerated depreciation for tax purposes (goodwill)	1,711	1,449
Amortisation Clients Relations & Order Backlog	4,684	5,377
Leases	10,977	7,536
Pensions	977	958
Other	(38)	1
Total	**18,826**	**15,882**
Non-current portion to be settled after 12 months	15,091	12,916
Current portion to be settled within 12 months	3,735	2,966

20. Inventories

(in € thousands)	31 December 2023	31 December 2022
Raw materials and consumables (at cost)	15,890	17,501
Provision for obsolete inventory	(6,135)	(7,128)
Total inventories at the lower of cost and net releasable value	**9,755**	**10,373**

The increase in the inventory level (including provisions) is mainly due to acquisitions and explained by the need of having enough critical materials available to prevent shortage coming from postponed deliveries due to high market demand.
Immaterial amounts were recognised as an expense for inventories carried at net realisable value.

21. Trade and other receivables, contract assets and other current financial assets

Trade and other receivables

(in € thousands)	31 December 2023	31 December 2022
Trade receivables from third-party clients	129,486	127,142
Less: allowance for expected credit losses	(2,024)	(2,033)
Other receivables	753	4,602
Total	**128,215**	**129,711**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Contract assets

As at 31 December 2023, the Group has contract assets of € 51,550 (2022: € 71,521). There is no expected credit loss applicable for contract assets at the Group.

Other current financial assets

(in € thousands)	31 December 2023	31 December 2022
Prepaid expenses	33,367	16,337
Total	**33,367**	**16,337**

22. Cash and cash equivalents

(in € thousands)	31 December 2023	31 December 2022
Bank balance in VINCI S.A. Cash Pool	71,511	40,465
Cash at banks	5,742	8,202
Cash and cash equivalents	**77,253**	**48,667**

Cash at banks earns interest at floating rates based on daily bank deposit rates.
At 31 December 2023, the Group had available € 42,295 (2022: € 41,701) of undrawn committed borrowing facilities with VINCI Finance International (Belgium).

23. Employee benefits

(in € thousands)	31 December 2023	31 December 2022
Defined benefit pension scheme	936	986
Jubilee	3,646	3,702
Total	**4,582**	**4,688**

Most employees are affiliated with the multi-employer pension fund or participate in a defined contribution pension program. A defined benefit pension scheme is in force for a small part of the staff, which, as described in note 3, has been frozen with effect from 2014. Employees in general receive a jubilee benefit after 12.5, 25 and 40 years of working for the Company (including Group subsidiaries). Due to the acquisitions of the past years, there are differences in the criteria between the group entities (e.g. regarding the years and amount of the rewards). The criteria are communicated to the Groups employees via an employee policy, which is available for all employees of the Group.

24. Non-current liabilities

(in € thousands)	31 December 2023	31 December 2022
Long-term group loans (note 28)	57,725	53,590
Lease liabilities (note 25)	28,448	17,644
Total	**86,173**	**71,234**

25. Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

(in € thousands)	Buildings	Vehicles	NAAS Equipment	Total
As at January 1, 2022	**9,904**	**15,204**	**13,421**	**38,529**
Non-Current	**6,060**	**8,410**	**10,422**	**24,892**
Current	**3,844**	**6,794**	**2,999**	**13,637**
Addition	6,510	5,327	3,382	15,219
Payments	(6,968)	(6,500)	(11,364)	(24,832)
Accretion of interest	23	5		28
As at December 31, 2022	**9,469**	**14,036**	**5,439**	**28,944**
Non-Current	**6,319**	**7,559**	**3,766**	**17,644**
Current	**3,150**	**6,477**	**1,673**	**11,300**
Addition	9,642	13,608	9,351	32,601
Payments	(5,709)	(8,909)	(3,279)	(17,897)
Accretion of interest	17	24	4	45
As at December 31, 2023	**13,419**	**18,759**	**11,515**	**43,693**
Non-Current	**8,885**	**11,612**	**7,951**	**28,448**
Current	**4,534**	**7,147**	**3,564**	**15,245**

The Group had total cash outflows for leases of € 42,237 in 2023 (2022: € 34,851). These cashflows concern the payments of lease liabilities, but also the variable costs of leasing (fuel, maintenance, etc). The Group has no lease contracts that contain variable payment terms that are linked to sales generating or other commercial activities. The Group has a significant lease component in Network-as-a-Service (NaaS) contracts, for which a lease liability of € 11,515 is recognised per December 31, 2023 (2022: € 5,439).

26. Provisions

(in € thousands)	31 December 2023	31 December 2022
Provision other current liabilities	13,718	8,383
Restructuring	702	1,064
Total	**14,420**	**9,447**

The provision other current liabilities relate to provisions for onerous contracts and claim risk. The movement is as follows:

(in € thousands)	2023	2022
Book value as of January 1	**8,383**	**8,108**
Addition	13,718	8,383
Usage	(5,797)	(5,607)
Release	(2,586)	(2,501)
Book value as of December 31	**13,718**	**8,383**
Non-Current portion (to be settled after 12 months)		

The movement in the restructuring provision is as follows:

(in € thousands)	2023	2022
Book value as of January 1	1,064	3,890
Addition	1,284	910
Usage	(1,606)	(3,690)
Release	**(40)**	**(46)**
Book value as of December 31	**702**	**1,064**
Non-Current portion (to be settled after 12 months)		

In 2022 and 2023 a formal plan of restructuring was completed and announced by management of the Company. Management expects to finalize the restructuring to cover the costs of reducing (certain sectors of) its workforce and related facilities to levels more appropriate to the business requirements in 2023 and future periods.

27. Loans and borrowings

(in € thousands)	31 December 2023	31 December 2022
Long-term debt <1 year	14,390	14,065
Total	**14,390**	**14,065**

Financial liabilities: Interest-bearing loans and borrowings

Loans with a remaining period exceeding one year are specified as follows (all denominated in Euros):

		31 December 2023		
(in € thousands)	Up to 5 years	More than 5 years	Total	Interest rate
	€	€	€	%
VINCI Energies International Belgium BVBA	31,500		31,500	6 months Euribor + 1.15
VINCI Energies International Belgium BVBA	3,350		3,350	6 months Euribor + 0.35
VINCI Energies International Belgium BVBA	6,300		6,300	6 months Euribor + 1.04
VINCI Energies International Belgium BVBA	16,575		16,575	6 months Euribor + 0.94
	57,725		**57,725**	

		31 December 2022		
(in € thousands)	Up to 5 years	More than 5 years	Total	Interest rate
	€	€	€	%
VINCI Energies International Belgium BVBA	36,000	4,500	40,500	6 months Euribor + 1.15
VINCI Energies International Belgium BVBA	4,690		4,690	6 months Euribor + 0.35
VINCI Energies International Belgium BVBA	8,400		8,400	6 months Euribor + 1.04
	49,090	**4,500**	**53,590**	

As per December 31, 2023 the remaining balance of this loan amounts to € 72,115. Liabilities with a remaining period up to one year including the short-term portion of long-term liabilities, are presented under current liabilities, including € 14,390 (2022: € 14,065) for the short-term part of the abovementioned debt.

For all loans the repayment schedule is 5 years, with two repayments per year including the accrued interests.

Net surplus

(in € thousands)	31 December 2023	31 December 2022
Cash and cash equivalents	77,253	48,667
Trade and other receivables	128,215	129,711
Trade and other payables	(64,034)	(77,939)
Long-term borrowings	(57,725)	(53,590)
Short-term borrowings	(14,390)	(14,065)
Long-term lease liabilities	(28,448)	(17,644)
Short-term lease liabilities	(15,245)	(11,300)
Net debt	**25,626**	**3,840**

Changes in liabilities arising from financing activities

(in € thousands)	1-1-2023	Cash flows	New Loan	Other	31-12-2023
Non-current interest-bearing loans and borrowings	**53,590**		18,525	(14,390)	**57,725**
Current interest-bearing loans and borrowings (excluding items below)	**14,065**	(14,065)		14,390	**14,390**
Total liabilities from financing activities	**67,655**	**(14,065)**	**18,525**		**72,115**

(in € thousands)	1-1-2022	Cash flows	New Loan	Other	31-12-2022
Non-current interest-bearing loans and borrowings	**49,500**		16,530	(12,440)	**53,590**
Current interest-bearing loans and borrowings (excluding items below)	**9,000**	(9,000)	1,625	12,440	**14,065**
Total liabilities from financing activities	**58,500**	**(9,000)**	**18,155**		**67,655**

The 'Other' column includes the effect of reclassification of non-current portion of interest-bearing loans and borrowings, including lease liabilities to current due to the passage of time, and the effect of accrued but not yet paid interest on interest-bearing loans and borrowings, including lease liabilities. The Group classifies interest paid as cash flows from financing activities.

28. Trade and other payables

(in € thousands)	31 December 2023	31 December 2022
Trade payables	49,335	72,483
Other payables	13,041	3,309
Related party payables	1,230	967
Derivative financial assets & liabilities	428	1,180
Total	**64,034**	**77,939**

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 45-day terms;
- Other payables are non-interest bearing and have an average term of 30 days;
- For terms and conditions of payables to related parties, refer to note 34;
- For explanations on the Group's liquidity risk management processes and derivative financial assets and liabilities, refer to note 18.

29. Contract liabilities

(in € thousands)	31 December 2023	31 December 2022
Contract liabilities	126,182	116,491
Total	**126,182**	**116,491**

30. Current tax

(in € thousands)	31 December 2023	31 December 2022
Corporate income tax	(813)	(526)
Labour Tax and Social charges	7,928	7,926
VAT	11,441	8,108
Total	**18,556**	**15,508**

31. Other liabilities and accrued expenses

(in € thousands)	31 December 2023	31 December 2022
Pension	489	328
Other current liabilities	44,471	39,713
Total	**44,960**	**40,041**

32. Share-based payments

The Group currently has two equity settled share-based payment plans, the Castor International Plan and the Long-Term Incentive Plan. The costs related to these plans are recognised as expenses over the period in which rights are acquired with a corresponding increase in equity for the Group. The employees will, under both these plans, receive shares in VINCI S.A. and not in the Company. Benefits granted under these plans are implemented as decided by VINCI S.A.'s Board of Directors after approval by the Shareholders' General Meeting.

Castor International Plan

In 2023, in accordance with authorisations given to VINCI S.A.'s Board of Directors by the Shareholders' General Meeting, VINCI S.A. initiated a new savings plan for the employees of certain foreign subsidiaries known as Castor International Plan. The main characteristics of this plan are as follows:

- Subscription period: from 15 May to 2 June 2023;
- Employer contribution consisting of bonus shares, with vesting period of three years;
- The only vesting condition (service condition) is for the employee to stay in the employ of VINCI for three years;
- Employees are entitled to bonus shares based on an allocation table and minimum and maximum ranges when subscribing to shares in VINCI S.A.;
- There is no lock-up period beyond the three-year vesting period for bonus shares.

In previous years, similar plans were decided upon.

	2023				2022			
	Castor 2023	Castor 2022	Castor 2021	Castor 2020	Castor 2022	Castor 2021	Castor 2020	Castor 2019
Number of shares granted subject to performance conditions at beginning of period								
Bonus Shares granted subject to vesting condition	65,807	60,733	51,160	48,884	60,733	55,522	53,162	32,952
Shares vested (1)				48,884				32,952
Shares cancelled (2)		3,384	3,376			4,362	4,318	
Number of shares granted subject to performance conditions not vested at end of period	**65,807**	**57,349**	**47,784**	**0**	**60,733**	**51,160**	**48,844**	**0**
Fair value of share at grant date (in €) (3)	109.73	91.71	91.72	73.41	91.71	91.72	73.41	88.08
Closing share price on the last day of the subscription period (in €)	107.58	90.14	91.86	87.78	90.14	91.86	87.78	90.28
Anticipated dividend pay-out rate	4.01%	4.06%	2.97%	2.51%	2.84%	2.78%	2.60%	2.34%
Fair value of bonus shares on the last day of the subscription period (in €)	95.37	79.81	85.47	83.78	79.81	85.47	83.78	78.66
Original maturity (in years) – vesting period	3	3	3	3	3	3	3	3

1 This will only be the case if someone died and it vests immediately or if the three year period has lapsed and the employee receives the shares;
2 This will only be the case if someone is a bad leaver;
3 The fair value of the liability at the end of each period is adjusted for the probability of the employees satisfying the service condition.

The fair value of the group savings plan shares at the grant date is equal to the value of the shares on Euronext's Paris stock exchange. The weighted average remaining contractual life end of period is 1.4 years in 2023 (2022: 1.4 years).

Long Term Incentive Plan

Performance shares have been granted to certain Group employees and senior executives. The corresponding plans provide that the final vesting of these shares is dependent on the realisation of financial criteria. The number of performance shares measured at fair value in the calculation of the IFRS 2 expense is therefore adjusted for the impact of the change in the likelihood of these financial criteria being met.

The performance conditions are as follows:

1. An economic criterion (50% weighting) measuring value creation. This will be determined depending on the ratio of the return on capital employed (ROCE, determined after deconsolidation of the airports business until such time as air passenger numbers worldwide return to 2019 levels, as reported by the IATA, on a full-year basis), calculated as an average over a three-year period, to the weighted average cost of capital (WACC), also calculated as an average over a three-year period. The vesting percentage will vary between 0% if the ratio is 1.0x or lower and 100% if the ratio is 1.25x or higher, with linear interpolation between the two limits of this range.

2. Financial criteria (25% weighting) including:
   a) Relative stock market performance (12.5%), measuring VINCI's share price performance by comparison with a composite industry index, calculated on the basis of the stock market valuations of a list of companies with business activities similar to those of VINCI. This relative performance corresponds to the difference, ascertained at 31 December 2025, between the following two indicators:
   – the total shareholder return (TSR) for the VINCI share between 1 January 2023 and 31 December 2025;
   – the TSR for the composite industry index between 1 January 2023 and 31 December 2025.
   Total shareholder returns include dividends.
   The vesting percentage will vary between 0% if the difference is negative by 5 points or more and 100% if the difference is positive by 5 points or more, with linear interpolation between the two limits of this range.
   b) The Group's ability to manage its debt and generate cash flows in line with its level of debt. This will be measured by the FFO (funds from operations) / net debt ratio, determined according to the methodology of rating agency Standard & Poor's and calculated as an average over a three-year period. The vesting percentage will vary between 0% if the ratio is 15% or lower and 100% if the ratio is 20% or higher, with linear interpolation between the two limits of this range.

3 Environmental, social and governance criteria (25% weighting) comprising:
   a) an environmental criterion (15% weighting) measured by the Climate Change score received each year by VINCI from CDP Worldwide in respect of the 2023, 2024 and 2025 financial years;
   b) a safety criterion (5% weighting) measuring the Group's safety performance, based on the frequency rate of workplace accidents with at least 24 hours of lost time per million hours worked for VINCI employees worldwide;
   c) a criterion relating to greater female representation (5% weighting)

Information on changes in performance share plans currently in force

(in € thousands)	2023	2022
Number of shares granted subject to performance conditions at beginning of period	**94,430**	**83,930**
Shares granted	26,820	34,700
Shares assigned	(25,360)	(19,354)
Shares not assigned due to performance conditions	(3,545)	(4,846)
Number of shares granted subject to performance conditions not vested at end of period	**92,345**	**94,430**
Weighted average remaining contractual life end of period	**1,30**	**1.30**

Information on the features of the performance share plans currently in force

(in € thousands)	Plan 13/04/2023	Plan 12/04/2022	Plan 08/04/2021	Plan 09/04/2020
Original number of beneficiaries	**43**	**42**	**38**	**39**
Number of shares granted subject to performance conditions	26,820	34,700	30,825	28,905
Shares assigned				(25,360)
Shares not assigned due to performance conditions				(3,545)
Number of shares granted subject to performance conditions at end of period	**26,820**	**34,700**	**30,825**	

Fair value of the granted shares

The fair value of the granted shares under the Long-Term Incentive Plan at grant date, is based on market prices available. The fair value of the granted shares will be based on the Euronext's Paris stock exchange at grant date. Expected dividends or other features are not incorporated into the measurement of the fair value at grant date. The fair values per grant date and vesting periods for the Long-Term Incentive Plan were as follows:

	2023 Plan	2022 Plan	2021 Plan	2020 Plan
Price of share on date plan was announced (grant date) (in €)	109.20	90.91	90.70	76.50
Closing share price on the last day of the subscription period (in €)	92.89	76.85	78.64	61.69
Fair value compared with share price at grant date	85.06%	84.53%	86.70%	80.64%
Original maturity (in years) – vesting period	3	3	3	3

33. Commitments and contingencies

Credit facilities:

As of December 31, 2023, the Group has a combined credit facility and a bank guarantee facility available amounting to respectively € 44,322,851 (2022: € 40,189,640) intra-day limit and € 47,513,991 (2022: € 41,265,829) undrawn credit line.

Guarantees:

As per December 31, 2023, the legal entities that are part of the Group have granted guarantees in total amounting to € 11,054,169
(2022: € 13,054,574). These guarantees are both performance and advanced payment guarantees and mainly concern project related customer guarantees. A small part is related to property rent.

A guarantee facility of € 15,000,000 has been granted by the ING Bank and is secured by:
- pledging of the receivables; and
- joint account and joint liability agreement.

No use is made of these facilities at year end 2023 (and 2022).

A guarantee facility of €10,000,000 has been issued by Atradius, with no additional securities.

Fiscal unity:

The Company is head of the Dutch fiscal unity for corporate income tax and value added tax. The fiscal unity comprises all companies within the Group. For that reason, it is jointly and severally liable for the tax liabilities of the whole fiscal unity.

34. Related parties

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

(in € thousands)	2023	2022
Management fees	5,850	5,081
IT fees	4,597	3,992
Brand fees	2,089	1,815
Total management fees	**12,536**	**10,888**

Total amounts paid concern all fees paid to VINCI Energies Europe North West (VEENW) for management fees, to VINCI Energies Systèmes d'Informations (VESI) for IT fees and to VINCI Energies Management for brand fees.

Management services are based on a percentage of the turnover. IT Fees are including ERP implementation charges. All transactions were performed at normal commercial terms and conditions and at market rates.

Compensation of key management personnel of the Group*

(in € thousands)	2023	2022
Short-term employee benefits	5,951	4,818
Post-employment pension and medical benefits	515	472
Share-based payments	1,239	885
Total	**7,705**	**6,175**

** Considered as key management personnel are board members, operational directors and finance directors*

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

35. Events after the reporting period

Dividend payment

The board has decided to pay €24.0 million dividend to VINCI Energies S.A.

9 Company financial statements for the year 2023

9.1 Company profit and loss account for the year ended 31 December 2023

(in € thousands)	2023	2022
Result subsidiaries	36,655	30,291
Result of the company	(4,786)	(1,638)
Net result	**31,869**	**28,653**

An abridged income statement has been presented in the company financial statements in accordance with art. 402, Book 2, of the Dutch Civil Code.

9.2 Company balance sheet as at 31 December 2023

(in € thousands)	Note	31 December 2023	31 December 2022
Assets			
Non-current assets			
Intangible assets	36	16,067	18,738
Goodwill	36	117,304	111,446
Property, plant and equipment	37	19,532	19,185
Right-of-use assets	38	573	435
Group companies	39	118,613	109,471
Deferred tax assets		147	111
Total non-current assets		**272,236**	**259,386**
Current assets			
Trade and other receivables		52	1,435
Current tax assets		1,504	1,560
Other current financial assets		471	503
Total current assets		**2,027**	**3,498**
Total assets		**274,263**	**262,884**

(in € thousands)	Note	31 December 2023	31 December 2022
Group equity			
Share capital	40	113	113
Share premium	40	53,700	53,700
Other reserves	40	48,661	37,008
Result for the year	40	31,869	28,653
Total group equity		**134,343**	**119,474**
Liabilities			
Non-current liabilities			
Provision negative equity subsidiaries	41	5,938	6,041
Employee benefits		107	103
Loans and borrowings	42	57,725	53,590
Lease liabilities	42	322	233
Deferred tax liabilities	43	4,138	4,726
Total non-current liabilities		**68,230**	**64,693**
Current liabilities			
Loans and borrowings	44	14,390	12,440
Trade and other payables	45	51,667	59,584
Lease liabilities	44	247	195
Current deferred tax liabilities	46	668	779
Current tax liabilities	47	291	384
Other liabilities and accrued expenses	48	4,427	5,335
Total current liabilities		**71,690**	**78,717**
Total liabilities		**139,920**	**143,410**
Total equity and liabilities		**274,263**	**262,884**

10 Notes to the company financial statements for the year 2023

10.1 Company profit and loss account for the year ended 31 December 2023

Accounting policies

The company financial statements have been prepared in accordance with Title 9, Book 2 of The Netherlands Civil Code. In accordance with sub 8 of article 362, Book 2 of the Dutch Civil Code, the Company's financial statements are prepared based on the accounting principles of recognition, measurement and determination of profit, as applied in the consolidated financial statements. These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities.

The investments in group companies and associates are presented as financial fixed assets in the balance sheet using the net asset value method. Net asset value is based on the measurement of assets, provisions and liabilities and determination of profit based on the principles applied in the consolidated financial statements. If the net asset value is negative, the participating interest is valued at nil. This likewise takes into account other long-term interests that should effectively be considered part of the net investment in the participating interest. If the Company fully or partly guarantees the liabilities of the associated Company concerned or has the effective obligation respectively to enable associated Company to pay its (share of the) liabilities, a provision is formed.

Presentation of Company financial statements

The structure of the Company balance sheet and Company profit and loss account are aligned as much as possible with the Consolidated financial statements in order to achieve optimal transparency between the Group financial statements and the Company financial statements.

10.2 Balance sheet items

36. Goodwill and other intangible fixed assets

The movements in the intangible fixed assets are as follows:

Acquisition cost

(in € thousands)	Other intangible assets	Goodwill	Total
As at 1 January 2022	**28,323**	**166,998**	**195,321**
Additions			
Acquisition subsidiary	2,621	22,051	**24,672**
Disposal during period			
At 31 December 2022	**30,944**	**189,049**	**219,993**
Additions – internal development			
Acquisition of a subsidiary		5,858	**5,858**
At 31 December 2023	**30,944**	**194,907**	**225,851**

Accumulated amortisation and impairment

(in € thousands)	Other intangible assets	Goodwill	Total
As at 1 January 2022	**(9,611)**	**(77,603)**	**(87,214)**
Amortisation	(2,595)		(2,595)
Disposal during period			
At 31 December 2022	**(12,206)**	**(77,603)**	**(89,809)**
Amortisation	(2,671)		(2,671)
At 31 December 2023	**(14,877)**	**(77,603)**	**(92,480)**

Net book value

(in € thousands)	Other intangible assets	Goodwill	Total
As at 1 January 2022	**18,712**	**89,395**	**108,107**
As at 31 December 2022	**18,738**	**111,446**	**130,184**
As at 31 December 2023	**16,067**	**117,304**	**133,371**

37. Property, plant and equipment

The movements in the tangible fixed assets are as follows:

Gross

(in € thousands)	Land and buildings	Other operating assets	Total
As at 1 January 2022	**18,205**	**266**	**18,471**
Other acquisitions during period	3,679		3,679
Disposal during period	515		**515**
At 31 December 2022	**22,399**	**266**	**22,665**
Acquisitions as part of business combinations	947	335	1,282
Disposal during period		(10)	**(10)**
Other acquisitions during period			
At 31 December 2023	**23,346**	**591**	**23,937**

Accumulated depreciation and impairment losses

(in € thousands)	Land and buildings	Other operating assets	Total
As at 1 January 2022	**(2,549)**	**(124)**	**(2,673)**
Depreciation during period	(756)	(51)	(807)
Disposal during period			**0**
At 31 December 2022	**(3,305)**	**(175)**	**(3,480)**
Depreciation during period	(884)	(51)	(935)
Disposal during period		10	**10**
Impairment losses			
At 31 December 2023	**(4,189)**	**(216)**	**(4,405)**

Net book value

(in € thousands)	Land and buildings	Other operating assets	Total
As at 1 January 2022	**15,656**	**142**	**15,798**
As at 31 December 2022	**19,094**	**91**	**19,185**
As at 31 December 2023	**19,157**	**375**	**19,532**

38. Right-of-use assets

(in € thousands)	2023	2022
Right-of-use for vehicles	1,224	957
Accumulated amortisation on right-of-use for vehicles	(651)	(522)
Total Right-of-use assets	**573**	**435**

39. Group companies

(in € thousands)	31 December 2023	31 December 2022
Investments in subsidiaries and affiliates	118,613	109,471
Total	**118,613**	**109,471**

(in € thousands)	Subsidiaries
As at 1 January 2022	**88,597**
Acquisitions during period	13,306
Result subsidiaries	30,291
Provision negative equity subsidiaries	(203)
Dividend	(22,800)
Other	280
At 31 December 2022	**109,471**
Acquisitions during period	977
Result subsidiaries	36,655
Provision negative equity subsidiaries	(102)
Dividend	(27,675)
Other	(713)
At 31 December 2023	**118,613**

40. Shareholders' equity

The movement in shareholders' equity is as follows:

(in € thousands)	Share capital	Share premium	Other reserves	Result for the year	Total equity
Balance as at 1 January 2023	**113**	**53,700**	**37,008**	**28,653**	**119,474**
Appropriation of the result of preceding year			28,653	(28,653)	**0**
Net income for the period				31,869	**31,869**
Dividends			(17,000)		**(17,000)**
Balance as at 31 December 2023	**113**	**53,700**	**48,661**	**31,869**	**134,343**

The authorized share capital of the Company amounts to € 500,000, divided into 500,000 ordinary shares with a value of € 1 per share. The total number of issued shares as per December 31, 2023 is 113,446. All issued shares are paid in full. There are no additional rights, preferences or restrictions attached to the different classes of capital.

Other reserves:
The other reserve partly consists of the share-based payments reserve, which is used to recognise the non-distributable part of the other reserves. Recognised in this amount is the grant date fair value of deferred shares granted to employees but not yet vested.

Gross

(in € thousands)	LTI	Castor	Distributable reserves	Total
As at 1 January 2022	**4,032**	**5,219**	**14,683**	**23,934**
Addition	1,825	3,425	12,333	**17,583**
Release	(1,820)	(2,689)		**(4,509)**
As at 31 December 2022	**4,037**	**5,955**	**27,016**	**37,008**
Addition	2,200	4,418	10,761	**17,379**
Release	(2,170)	(3,556)		**(5,726)**
As at 31 December 2023	**4,067**	**6,817**	**37,777**	**48,661**

Exchange rate differences:
Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Appropriation of result for the financial year 2023:
The Management Board proposes, with the approval of the Supervisory Board, that the result for the financial year 2023 amounting to € 31,869 will be added to the other reserves.

41. Provision negative equity subsidiaries
The movement in provisions for negative equity subsidiaries is as follows:

(in € thousands)	2023	2022
Book value as of January 1	6,041	6,627
Addition		
Release	(103)	(586)
Book value as of December 31	**5,938**	**6,041**
Non-current part	*5,938*	*6,041*

42. Loans and borrowings & Lease liabilities long-term

(in € thousands)	31 December 2023	31 December 2022
Long-term group loans (note 27)	57,725	53,590
Long term debt > 1 year	322	233
Total	**58,047**	**53,823**

43. Deferred tax liabilities

(in € thousands)	31 December 2023	31 December 2022
Client relations	4,016	4,086
Trade name		15
Others	122	625
Total	**4,138**	**4,726**

44. Loans and borrowings & Lease liabilities short-term

(in € thousands)	31 December 2023	31 December 2022
Short-term debt <1 year	14.390	12,440
Lease liabilities <1 year	247	195
Total	**14,637**	**12,635**

45. Trade and other payables

(in € thousands)	31 December 2023	31 December 2022
Trade payables	1,508	960
Interest on long term loans and borrowings	1,515	481
Cash management current accounts	48,644	58,143
Total	**51,667**	**59,584**

46. Current deferred tax liabilities

(in € thousands)	31 December 2023	31 December 2022
Client relations	607	689
Orderbook	4	44
Other	57	46
Total	**668**	**779**

47. Current tax liabilities

(in € thousands)	31 December 2023	31 December 2022
Corporate income tax		
Labour tax and social charges	291	384
Total	**291**	**384**

48. Other liabilities and accrued expenses

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value.

49. Contingent assets and liabilities

Credit facilities:

The Company has a combined credit facility and a bank guarantee facility available amounting to respectively € 3,000,000 and $ 2,000,000 intra-day limit and € 15,000,000 credit line. The facility has been granted by the ING Bank and is secured by:

- pledging of property, plant & equipment, inventories and receivables; and
- joint account and joint liability agreement.

No use is made of these facilities at year end 2023 (and 2022).

Guarantees:

As of December 31, 2023, the legal entities that are part of the Group have granted guarantees in total amounting to € 11,045,169
(2022: € 13,054,574). These guarantees are both performance and advanced payment guarantees and mainly concern project related customer guarantees. A small part is related to property rent.

A guarantee facility of € 15,000,000 has been granted by the ING Bank and is secured by:
- pledging of the receivables; and
- joint account and joint liability agreement.

No use is made of these facilities at year end 2023 (and 2022).

A guarantee facility of €10,000,000 has been issued by Atradius, with no additional securities.

Fiscal unity:

The Company is head of the Dutch fiscal unity for corporate income tax and value added tax. The fiscal unity comprises all companies within the Group. For that reason, it is jointly and severally liable for the tax liabilities of the whole fiscal unity.

Article 2:403:

The Company has guaranteed the liabilities of all consolidated group companies as meant in article 2:403 of The Netherlands Civil Code. The Company is therefore jointly and severally liable for the liabilities arising from the legal acts of these group companies.

51. Compensation of Supervisory board and board of directors

(in € thousands)	31 December 2023	31 December 2022
Short-term employee benefits	1,153	1,449
Post-employment pension and medical benefits	106	130
Share-based payments	365	344
Total	**1,624**	**1,923**

No remuneration is paid to the Supervisory board members.

During 2023, 44,3 employees were employed on a full-time basis (2022: 39,9) within the Company. Of these employees, 7,7 were employed on a full-time basis outside the Netherlands (2022: 4).

52. Events after the reporting period

The board has decided to pay € 24.0 million dividend to VINCI Energies S.A.

11 Other information

Independent auditor's report
Reference is made to the independent auditor's report as included hereinafter.

Statutory rules concerning appropriation of result
In Article 38 of the company statutory regulations the following has been presented concerning the appropriation of result:
The result of the financial year is at disposal of the General Meeting.

Signing of the financial statements
Veghel, May 7, 2024

Country Director and General Counsel:	Managing Director:	Managing Director:
E.M.A.M. de Haas	**J.P.M. van Uden**	**T. Greeve**

Supervisory Board:

J.A. Boers	**V.C. Sirieix**

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